

**STATE, FOREIGN OPERATIONS, AND RELATED
PROGRAMS APPROPRIATIONS FOR FISCAL
YEAR 2014**

THURSDAY, APRIL 18, 2013

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, DC.

The subcommittee met at 2:30 p.m., in room SD-192, Dirksen Senate Office Building, Hon. Patrick J. Leahy (chairman) presiding.

Present: Senators Leahy, Harkin, Mikulski, Landrieu, Begich, Graham, Coats, and Johanns.

DEPARTMENT OF STATE

OFFICE OF THE SECRETARY

STATEMENT OF HON. JOHN F. KERRY, SECRETARY

OPENING STATEMENT OF SENATOR PATRICK J. LEAHY

Senator LEAHY. Good afternoon, and I welcome our Secretary of State. We have new members of the subcommittee—Senators Shaheen and Begich, Johanns, Boozman.

This is a good subcommittee and one I wanted to stay on because of what we do and how we support United States leadership around the world.

Of course, the Secretary of State knows this budget backward and forward from his years as a member and then as one of the most distinguished chairs of the Foreign Relations Committee. I told the Secretary that he was born for this job. I can't think of anybody better.

I also want to note on a personal basis, I have visited then-Senator Kerry on occasions at his home in Boston. We have done things together there and I know how much he loves that city, as I do, as one who remembers going there as a little boy with my parents and so many times since.

And I think, Mr. Secretary, you know that the whole country grieves for Boston, having seen the Boston Marathon, such a quintessential American event and on Patriots' Day. But I think I also know the people of Boston and Massachusetts, they are not going to run and hide. Their spirit will still be strong, just as you have always shown.

I also want to mention that Senator Graham is on his way over. He has been a huge asset to this subcommittee. He works hard and

travels around the world to see which programs are working or not working.

What we try to do is to make sure on this subcommittee that we work in a bipartisan fashion. Usually, the bills that come out of this subcommittee, they have been nearly unanimous—Republicans and Democrats have worked together.

We focus today on North Korea, a nuclear power, a young, untested dictator recklessly threatening its neighbors. In the Middle East, we see Syria, a humanitarian catastrophe on a scale few would have imagined. The revolution in Egypt, which held such promise, now there is a troubling turn. The economy is on life support and the military is cracking down on its critics.

There are so many areas. We have fought two costly and, I feel, misguided wars. I remember some testifying in the past about how we were going to remake Afghanistan and Iraq.

PREPARED STATEMENT

Well, we haven't, and we have requested written testimony for this hearing from the State Department Inspector General, the Special Inspector General for Iraq, and the Special Inspector General for Afghanistan. They have showed us how we can save money and I will put that in the record.

[The statement follows:]

PREPARED STATEMENT OF SENATOR PATRICK J. LEAHY

I want to welcome our new Members, Senators Shaheen, Begich, Johanns, and Boozman. This subcommittee may not be the most popular, and what we do may not get the most attention, but it is the counterpart to the Defense Appropriations subcommittee for how we project United States leadership and protect our interests around the world.

I want to welcome Secretary of State Kerry who knows this budget backward and forward from his years as a member and chairman of the Foreign Relations Committee. It is hard to conceive of anyone better qualified for the job of Secretary, and we are fortunate to have you there.

I also want to acknowledge Senator Graham, who has been such an asset to this subcommittee. He works hard, travels around the world to see how programs are working—or not working—and he has been a strong defender of this budget and the vital priorities it implements.

This subcommittee has produced bipartisan bills for as long as I have been here, and when we are given the chance to debate them on the floor they pass overwhelmingly. We do not want a Democratic foreign policy or a Republican foreign policy. We want an American foreign policy.

The world today is focused on North Korea, a nuclear power whose young, untested dictator is recklessly threatening to attack its neighbors, presumably to extort food aid and other economic concessions.

In the Middle East, Syria has become a humanitarian catastrophe on a scale few would have imagined, and the end does not appear to be in sight.

The revolution in Egypt, which held such promise, has taken a troubling turn and the economy is on life support.

Around the world, from Russia to Ethiopia, civil society organizations, which are as fundamental to democracy as a credible justice system, are harassed and persecuted to the point of being unable to function.

As we extract ourselves from two misguided, costly wars, I recall the starry eyed testimony of Pentagon, State Department, and USAID officials in years past about how we were going to remake those societies. There have been achievements, but I can't help but wonder how we could have been so naïve. We need to be a lot smarter about how we spend the public's money.

We requested written testimony for this hearing from the State Department Inspector General, the Special Inspector General for Iraq, and the Special Inspector General for Afghanistan. All of them have identified ways to save money.

I agree with the Chairwoman when she says our job is not only to appropriate money, it is also to find ways to save money.

The administration's 2014 budget request for this subcommittee represents a cut of almost \$1.5 billion below the 2013 level. A lot of that is because of reduced Overseas Contingency costs, and we need to work together to achieve the right balance for the rest of the world.

We cannot act as if what happens in the world around us does not matter. We cannot treat the United Nations, or the World Health Organization, as if they do not matter.

Every Republican and Democratic President and Congress since the 1950s has recognized this, and in many ways the world is more competitive and dangerous today than it was back then.

Countering foreign threats, building stable democracies, and reforming foreign economies cost money. If we don't do it others will, but not necessarily in ways that we would want.

Mr. Secretary, I know you will have more to say about this in your testimony. After Senator Graham makes his opening remarks we will hear from Chairwoman Mikulski [and Ranking Member Shelby], and then Secretary Kerry.

We will then have 7 minute rounds of questions in order of appearance.

Senator LEAHY. When Senator Graham gets here, after Secretary Kerry has finished his opening statement, I will yield to Senator Graham for any statement he wishes to make.

But Mr. Secretary, considering the schedule you have followed the past few weeks I think it is remarkable you are able to be here, and I thank you. Please go ahead.

SUMMARY STATEMENT OF SENATOR JOHN F. KERRY

Secretary KERRY. Well, Mr. Chairman, President pro tem, thank you very, very much.

Senator Harkin, Senator Johanns, great to be here with you guys. And I am still getting used to being on this side of the dais, but it is a pleasure to be in front of this subcommittee.

And Mr. Chairman, let me say to you, I know you caused a lot of consternation. I was here when you were making your decisions about where to stay. I am so glad you stayed here because the converse is true. You know this budget, and you are dedicated to these issues, and you have had a profound impact on them. And I am just thrilled that that continuity will be here, and I think we will have a terrific partnership because of that.

Thank you also for your comments about Boston. It is no secret that I really wish I had been in Boston today with the President and with the mayor and the former Governors and everybody. I would have really liked to have been there. But I am here, obviously, doing this, and I am not complaining about it.

I watched a little bit during the lunch break of the President. I thought he was magnificent. Gave a great, great speech. Touched the hearts of everybody and captured Boston.

And there is just no way to express the feelings everybody has. I watched, as everybody did, the graphic video of the explosions, and what struck me, frankly, was just the way volunteers from the Marathon rushed toward the blasts and the way—you know, we learned later runners went to the hospital to give blood, and people opened their homes to receive strangers.

And what really struck me was the place where the first explosion took place. You see all those flags, all the international flags, and you realize, wow, it was just so much bigger than Boston.

And you can't help but be impressed by the global component of it, and then you have this breach of peace with this mayhem of blood and sheered limbs and so forth on the sidewalk. It is just such a contrast. I think the President's visit today really touched everybody.

And then there are these moments that leap out at you, like last night at the Bruins game where the entire crowd broke into "The Star-Spangled Banner", and it just reverberated. It was wonderful. At the end, there was a sign that said, "We are Boston strong." And I think that is very true.

And even our nemesis, the New York Yankees, interrupted—I don't remember which inning it was—but they sang, the whole place broke out in "Sweet Caroline". And that is pretty special, given the relationship between the "evil empire" and the Boston Red Sox.

So I thank everybody. I really do. I know everybody in Boston and in Massachusetts and in the surrounding communities that live and breathe Boston to some degree are all grateful for everybody's compassion and thoughts about it.

On this budget, Mr. Chairman, turning to it, which we need to do here this afternoon, I will try to just summarize quickly, and I know you want to get to the questions, and so do I. What is really—in the 2½ months now I have been privileged to serve President Obama as Secretary, I have traveled quite extensively and, I think, fruitfully with respect to efforts to get moving on the Middle East peace, efforts to deal with North Korea, efforts to deal with Syria and China, other issues.

And what I find reinforced in me, notwithstanding 28 years in the Senate and serving as chairman of the Foreign Relations Committee, is a much more graphic, firsthand, day-to-day input of the degree to which the United States is relied on, looked to for leadership, and critical to the solutions of so many problems that we face on the planet. We are the indispensable nation, and I think that it is clear to me, more than ever before, there is no longer anything foreign about foreign policy.

And I said in my confirmation hearing that I think so much of foreign policy today is economic policy, frankly. And we need to think about that more, as we transition, as we think about this budget. As Senator Graham, who is not yet here, but I look forward to talking with him when he is, very eloquently said, America's investment in foreign policy is national security insurance.

And I think if we can make the right small investments up front and do things to preclude conflict or to avoid implosion and failed states and so forth, we actually can save ourselves a lot of burden and a lot of money. Not the easiest sell always to our constituents, but nevertheless, it is real.

I also believe that it is clear that American engagement is essential, and let me just give you a couple of quick examples. Recently, the President and I were in Israel. Our engagement was essential. We worked on it. I actually had done some initial work on this 1½ years ago, 2 years ago.

But the rapprochement that took place between Israel and Turkey, which is a positive step toward our stability in the region and, hopefully, toward engagement in the peace process, came about

through the President's intervention, the power and prestige of America, and the interests that we were able to bring together there.

On Syria, on Syria, we have contributed nearly \$385 million to a growing humanitarian crisis. We are going to have to think more about obviously what we are going to do there and how. I am sure we will talk about it today. But it has made a difference that we just send something like food and flour to the Aleppo bakeries or that we have, in fact, provided food and sanitation to the Atmeh refugee camp.

And having just returned from Seoul, Beijing, and Tokyo, where North Korea issue took center stage, I can tell you that once again it just comes back to you in every respect that we are the guardian of global security. And I think it is critical that we don't turn our back on the essentiality of that role.

All of that, Mr. Chairman, underscores what I think you know as well as anybody, the rest of you on this subcommittee. The budget is not a collection of numbers. The budget is a representation of our values and of our priorities. And we are obviously making tough decisions about the budget this moment with our debt and deficit issues.

We are grappling with those at the State Department, and I want to make it clear that I believe this budget helps us reduce the deficit responsibly while still investing in areas that will attract economic growth and create jobs for American workers, as well as secure our national interests.

Our fiscal year 2014 budget request represents a 6-percent reduction from fiscal year 2012 funding levels, and it is also a reduction from fiscal year 2013. Fiscal year 2013 was a continuing resolution, as you all know. So that is why I did the comparison to fiscal year 2012.

We have looked hard at where we can make savings. We have implemented reforms that reduce costs without jeopardizing vital contributions. And I think the budget delivers the maximum return on the invested dollar of our taxpayers, which is what they want.

Let me give you a few examples of the kind of things we are doing at low cost. With just more than \$3.5 million, the State Department's Bureau of Conflict and Stabilization Operations made key investments leading up to the recent elections in Kenya, and our Assistant Secretary for Africa Johnnie Carson and I were personally engaged with various parties, leaders, in helping to prevent the repeated violence of 5 years ago.

Our antiterrorism assistance funding has helped save the lives of hundreds of people in places like Pakistan, India, Lebanon, by training local law enforcement to detect and neutralize explosive devices. And they have done so successfully and, therefore, saved the lives by virtue of that training.

In addition, we have been able, through our cooperation, to prevent plots from playing out against the United States. Many of you are familiar with them through the classified process. They don't reach the light of day, but we know how dangerous it might have been had those people not been intercepted, had our law enforcement cooperative or intelligence cooperative or other foreign rela-

tionships not produced the leads that helped us intervene ahead of time.

I have traveled to the Middle East already three times as Secretary, and North Africa. And there, we have a phenomenon taking place which requires a greater response, frankly, than even we are now currently able to provide, and we need to think about how we are going to change that, and I would love to talk to members about it.

But leaders there are facing an enormous challenge with a huge burgeoning youth population, absence of jobs, increased radicalism, and we have to ask ourselves whether we are doing enough to respond to a growing pace of increase in extremism versus the adoption of rule of law and democratic process.

That is our challenge, I think, in this generation, and I personally believe there are ways that we can address it. The President has directed me to evaluate a number of different options and propose them to him, and I think he is going to try to land on what he thinks is the best strategy. And then we will, undoubtedly, come to talk to you about this in greater length.

Because in the Sahel, in the Maghreb, in the Arabian Peninsula, Syria, throughout the region, talk to any of the leaders, as I know you do, and they will tell you about their fears about radical extremism, religious exploitation, ideological extremism, and we need an answer to it. And I would say respectfully to everybody here, the answer is not just drones and SEAL teams. We have to find some other way of addressing this longer-term effort.

To that end, the budget asks, at least initially, for \$580 million for the Middle East and North Africa Incentive Fund so that we can give reformers the tools and resources that they may begin to need in order to fight on behalf of these young people in the future. Remember, Tahrir Square was not an Islamic revolution. Nor was Tunisia.

Tunisia was a fruit vendor who wanted dignity and respect and the ability to sell his goods. And he resented police officer intrusion on that process.

Tahrir Square was a bunch of young people with their cell phones, excited about the possibilities of sharing the life that a lot of other people in the world get to live and hoping they could do so in Egypt. And it was later, when the military delivered an election, contrary to many people's expectations, that the Brotherhood came in and picked up the pieces.

So we need to understand that as we go forward, and the simple fact is the United States cannot be strong at home if we are not strong in the world. And I think this is particularly true when it comes to our economic renewal.

We believe we need to get out there and do more to stoke the engine of economic recovery for our country. The President has engaged in two critical initiatives to do that. One is the Transatlantic Trade and Investment Partnership, and the other is the Trans-Pacific Partnership.

PREPARED STATEMENTS

And I would just share with colleagues how excited Europe is about that possibility. Turkey is excited and, though they are not

in the European Union, would like to have a parallel negotiation because they don't want to be left out of it. Similarly, Japan has just come onboard in the Pacific, and I believe we have an enormous opportunity to kick our economies into gear, as well as raise the standards of trade on a global basis.

[The statements follow:]

PREPARED STATEMENT OF JOHN F. KERRY

Thank you Chairman Leahy and Ranking Member Graham. It's a privilege to be back among you all.

Before I begin, I couldn't possibly come home to the Senate without addressing the terrorist attack in my home city of Boston, an attack that hit home for me—literally. I've talked with friends and family still wrestling with what happened to children and loved ones, and I am very sorry that I am unable to join President Obama at the memorial service today because my duties demanded I be here with you this morning. But I know just how resilient Bostonians are, and I want to echo all the admiration we hold for the people, both first responders and ordinary citizens, who didn't hesitate when the bombs went off—the people who ran into the chaos to help the victims, the marathoners who continued running to the hospital to donate blood, the citizens who opened their homes to offer comfort to strangers. Their actions are proof positive that the American people, and especially Boston, cannot be intimidated by cowardly acts of terrorism and destruction. My thoughts and prayers are with the families of the three victims who lost their lives—American victims and citizens of other countries, one just 8 years old—and with all those who were wounded. We will not rest until we have gotten to the bottom of these bombings and the perpetrators have been brought to justice.

Turning to the business of the budget—promise to remember the most important lessons I learned during my time in the Senate. First, keep your remarks short so we can get to the questions.

Second, a lesson which has hit home particularly during my travels as Secretary: there really is no longer anything foreign about foreign policy.

As you have said yourself very eloquently, Senator Graham, America's investment in foreign policy is "national security insurance." You're right. If we can make the small smart investments up front, we can avoid much more costly conflicts and burdens down the road.

In the past few months, we have seen several developments that underscore the stakes for having a strong American presence in every part of the world. I've been in close contact with the Congress, and I have spoken with many of you—including Senator Leahy, Senator Lautenberg, and Senator Mikulski—to consult on key developments along the way.

American engagement was essential to the rapprochement between two of our close partners—Israel and Turkey—a positive step toward stability in a volatile region of the world.

This subcommittee is well aware of the ongoing crisis in Syria. We have contributed nearly \$385 million in humanitarian relief to provide essential resources to the Syrian people, including sending flour to bakeries in Aleppo and providing food and sanitation in Atmeh refugee camp. I expect we will have the chance to discuss Syria at length today.

Having just returned from Seoul, Beijing, and Tokyo where the North Korea nuclear issue took center stage, we are reminded once again that America is the guardian of global security. We will not turn our back on the prospect of peace, but neither will we hesitate to do what is needed to defend our allies and interests.

All this speaks to why this budget isn't just a collection of numbers; it's an illustration of our values and priorities. Budgets, deficits, debt—these are weighty decisions, and I know each of you is grappling with them carefully.

We are grappling with them at the State Department too, and I think our proposed budget is responsive to and reflective of our national economic reality. As part of the President's budget, it will help cut our deficit responsibly while investing in areas that attract economic growth, create good jobs for American workers, and secure our national interests.

Our fiscal year 2014 budget request represents a 6-percent reduction from fiscal year 2012 funding levels. We have examined our request with a steely-eyed determination to improve efficiency and economize wherever possible. We have implemented reforms that reduce costs without jeopardizing vital contributions. This budget delivers maximum bang for the minimal possible taxpayer buck—actually, for about one single penny out of the taxpayer dollar.

Let me give you a few examples of the kind of high-impact, low-cost work we do every day to make the world safer. With just more than \$3.5 million, the State Department's Bureau of Conflict and Stabilization Operations made key investments leading up to the recent elections in Kenya that helped prevent a repeat of the violence we saw 5 years ago.

Our anti-terrorism assistance funding has helped save the lives of hundreds of people in places like Pakistan, India, and Lebanon by training local law enforcement to detect and neutralize explosive devices.

Our fiscal year 2014 budget request maintains our commitments to advancing peace, security, and stability in places where all three can be scarce commodities. I've already traveled three times as Secretary to the Middle East and North Africa—a region struggling to respond to its citizens' growing expectations for dignity and opportunity. Leaders there are making difficult decisions, and the United States cannot make those decisions for them, but we can do more to be a partner for all those on the side of freedom and democracy.

To that end, this budget includes a request for \$580 million for the Middle East and North Africa Incentive Fund so that we can help give reformers the tools and resources they need to make the right decisions on behalf of their citizens. This fund allows us to say to people in the region: "If you're willing to take on the deep-rooted challenges and make the tough choices, we are here for you."

When we look at the threats that emanate from failed and potentially failing states, we must heed the lessons of our past. The U.S. homeland will not be secure if violent extremists bent on attacking us find a safe haven in places like the Sahel or the Maghreb. The threats we're dealing with in that part of the world range from al-Qaeda rebels to narcotraffickers. This budget sets aside \$8.6 billion for our security, counterterrorism, and law-enforcement assistance. Compare that \$8.6 billion to the more than \$1 trillion we have spent fighting in Iraq and Afghanistan and I think you'll agree this is both a penny- and poundwise investment.

The simple fact is, the United States cannot be strong at home if we're not strong in the world. This is particularly true when it comes to our domestic economic renewal.

We need to do more to get out there and stoke our economic engines with the trade and business opportunities available in other countries. That's why the President is committed to successfully completing the Transatlantic Trade and Investment Partnership and the Trans-Pacific Partnership. We want to tap the growing markets of the Asia Pacific, which are vital to American economic recovery.

When it comes to shoring up our economic health and protecting our national security, our development work is one of our strongest assets. Let me be clear: development is not charity. It's an investment in a strong America and a free world. Eleven of our top 15 trading partners were once beneficiaries of U.S. foreign assistance. We can't afford to pull back. But that doesn't mean we won't work in better, smarter ways.

Let me highlight the reforms we are making with this budget to one of our most visible forms of assistance: U.S. food aid. By giving ourselves the flexibility to choose the most appropriate and efficient type of food assistance, the U.S. Government will reach an estimated 2–4 million more people every year with the same discretionary funding. At the same time, we will save approximately \$500 million in mandatory funding over the next decade, which we will use to reduce the deficit.

American growers and producers will still play a major role in our food assistance. More than one-half of the funding we are requesting for emergency food aid must be used for the purchase and shipping of U.S. commodities overseas. But by giving us the ability to modernize, including the flexibility to also procure food aid in developing countries closer to crisis areas, not only can we feed more people, we can get food to malnourished people 11–14 weeks faster. Here's the bottom line: this change allows us to do more to help more people lift themselves out of hunger and poverty without spending any more money. That's a great deal for the American taxpayer.

The final area I want to mention is how this budget cares for our most valuable resource: the brave men and women of the State Department and USAID. We have requested \$4.4 billion to fortify our worldwide security protection and improve our overseas infrastructure. \$2.2 billion of this is set aside for constructing secure diplomatic facilities. This is part of our commitment to implement in full the recommendations of the independent Accountability Review Board so that we can mitigate the risk of future tragedies like the one we suffered last year in Benghazi.

This has been a hard year for our State Department family—a family that knows how risky the work we signed up for can be in a very dangerous world. Just 2 weeks ago in Afghanistan we lost a bright, committed Foreign Service officer—Anne Smedinghoff. I met her on my last visit, and earlier this week, I sat with her par-

ents. She was just 25 years old. She wanted to make a difference in the lives of people she had never met, and she was willing to take risks to do it.

Anne and Ambassador Chris Stevens really were cut from the same cloth. That's what made them such outstanding members of the State Department family, and such outstanding Americans.

As Secretary, my most important job is to protect the men and women under my watch so they can carry out their national security mission. But we cannot do it by retreating from the world. We stand for optimism and opportunity and equality. And we stand in opposition to all those who would replace hope with hate. That's what we believe—and those are the values the State Department and USAID defend every day. Thank you.

PREPARED STATEMENT OF HAROLD W. GEISEL, DEPUTY INSPECTOR GENERAL, OFFICE OF INSPECTOR GENERAL, U.S. DEPARTMENT OF STATE AND THE BROADCASTING BOARD OF GOVERNORS

Chairman Leahy, Ranking Member Graham, and members of the subcommittee, I appreciate the opportunity to submit my written testimony in relation to your hearing on the administration's fiscal year 2014 budget request for the Department of State (Department).

In its fiscal year 2014 budget guidance,¹ the Office of Management and Budget (OMB) directed all Federal agencies to cut waste, set program priorities, and make targeted investments in critical areas. OMB also asked agencies to reduce overall requests by 5 percent below the net discretionary total of their fiscal year 2013 budgets. The Department's Quadrennial Diplomacy and Development Review (QDDR) also stressed the importance of working smarter and better prioritizing objectives.

DEPARTMENT OF STATE KEY CHALLENGES

The Office of Inspector General (OIG) considers the following areas to be the most serious management and performance challenges to reducing waste, improving efficiencies, and achieving savings.

Contract and Procurement Management

In fiscal year 2010, the OIG Office of Investigations (INV) refocused its mission, making procurement fraud its top priority. As a result, in the past 3 years INV referred 89 companies and/or individuals to the Office of the Procurement Executive (OPE) for suspension or debarment consideration, resulting in 83 of the companies or individuals being suspended and/or debarred. This is a marked increase from two total suspensions and/or debarments between fiscal year 2008–2010. In March 2012, an OIG investigation determined the principal officer of a then current Department contractor had been previously convicted on several fraud charges and was still debarred by the General Services Administration. INV issued Management Assistance Report C2010–031, recommending that OPE and the Bureau of Administration require all contractors to submit a list of all principal officers as part of the contract bidding package and to search the names of individuals listed to determine if any party had been suspended or debarred from Government contracting.

Despite this progress in the fight against fraudulent activities, the Department continues to face challenges managing contracts and procurements. Although Departmental contracting activities have significantly increased from \$1.8 billion in 2001 to \$8.8 billion in 2011,² the Department has not met this considerable growth with a corresponding increase in contracting personnel to handle the workload.³ To meet the burgeoning demands for its services, the Department's Bureau of Administration increased its procurement staff from 109 contracting professionals in fiscal year 2009 to 146 in fiscal year 2011.⁴ In a draft report issued in April 2013, OIG cited other oversight agencies that had identified deficiencies in the Department's contract oversight.

Specifically, between January 2009 and August 2012, OIG issued 17 reports that included findings related to the lack of or inconsistent performance in monitoring procurements.

¹ OMB Memorandum M–12–13, "Fiscal Year 2014 Budget Guidance."

² Fiscal Year 2014 Bureau Resource Request, Bureau of Administration, May 31, 2012.

³ *State and DOD Should Ensure Interagency Acquisitions Are Effectively Managed and Comply with Fiscal Law* (GAO–12–750, Aug. 2012).

⁴ Fiscal Year 2014 Bureau Resource Request, Bureau of Administration, May 31, 2012.

For example, in September 2012, OIG assessed the Department's Motor Vehicle Fleet and found that the Department was not in compliance with regulations that require agencies to collect and report information on mileage, fuel use, and maintenance costs for each vehicle in the fleet and that available motor vehicle fleet utilization data were incomplete and not fully reliable. In compliance with OIG's recommendations, the Department expanded its fleet management plan and obtained usage information on more than 99 percent of vehicles in the fleet. As a result of these improved practices, the Department identified 2,124 motor vehicles—with an estimated acquisition value of approximately \$130 million—that could be eliminated from its inventory by the end of fiscal year 2015. The Department cited improved fleet management practices as a way to save future acquisition, maintenance, and fuel costs while still fulfilling mission requirements and providing world-class customer service.

To fulfill its unprecedented responsibilities in the Middle East, the Department has relied heavily on contractors for some critical goods and services,⁵ and OIG has identified instances in which poor contract monitoring resulted in increased costs and poor performance. OIG determined that the contracting officer's representatives (COR) for Embassy Baghdad's operations and maintenance contract had not verified contractor invoices against appropriate supporting documentation or the contract terms and conditions, resulting in erroneous payments to the contractor.⁶ OIG recommended that the Department direct the contracting officer to conduct a comprehensive review of all contractor invoices before the contract closed to ensure that unallowable costs are recovered.⁷ OIG conducted another audit⁸ of the Department's contract to provide movement security, specialized emergency services, and guard services for diplomatic missions in high threat areas. OIG found that only 253 of 513 movement security personnel provided by the contractor were used on average because the Department had not conducted a needs analysis for staffing requirements prior to awarding the task order. Consequently, the Department paid, at a minimum, \$20.6 million for unnecessary contractor security personnel rather than using the funds to address security needs in other regions.

OIG audits also found a pressing need for improved management and monitoring of grants and cooperative agreements in the Middle East. In Iraq, one grantee received eight grants, totaling about \$130 million, to carry out local democracy-building programs. These eight grants exceeded their respective award budgets by a total of approximately \$4.6 million because the Department did not adequately monitor program performance nor detect questionable charges. For example, security costs were not competed, and, as a result, the \$64.3 million in security costs exceeded the \$49.5 million in direct costs to carry out the Iraqi democracy-building programs. The Bureau of Near Eastern Affairs (NEA) had difficulty determining the origin and progress of some of its grants for capacity-building because of insufficient training, pressure to award grants quickly, and turnover in the bureau and at Embassy Baghdad.

Proper oversight and accountability of grants, contracts, and cooperative and interagency agreements are continuing challenges in other regions as well. During inspections of the Bureau of Counterterrorism⁹ and the Bureau of Diplomatic Security's (DS) Office of Antiterrorism Assistance,¹⁰ which jointly manage antiterrorism assistance totaling about \$200 million, OIG found that several program managers lacked program monitoring and evaluation training. In Beirut,¹¹ the mission did not document the results of site visits to grantee locations, creating uncertainty on whether millions of dollars in grants and cooperative agreements were fulfilling intended purposes. In another audit, OIG found that a Department bureau did not always follow policy guidance on managing and monitoring more than \$200 million in climate change grants and interagency acquisition agreements.

As of March 31, 2013, OIG's Office of Audits reported 36 additional "open" OIG recommendations representing about \$210.5 million in identified funds put to better use or questioned costs.

⁵ GAO-12-750.

⁶ *Evaluation of Invoices and Payments for the Embassy Baghdad Operations and Maintenance Contract* (AUD-MERO-12-43, Aug. 2012).

⁷ *Ibid.*

⁸ *Audit of Bureau of Diplomatic Security Worldwide Protective Services Contracts—Task Order 5 for Baghdad Movement Security* (Feb. 2013).

⁹ *Inspection of the Bureau of Counterterrorism* (ISP-I-12-32A, June 2012).

¹⁰ *Inspection of the Bureau of Diplomatic Security, Office of Antiterrorism Assistance* (ISP-I-12-31, June 2012).

¹¹ *Inspection of Embassy Beirut, Lebanon* (ISP-I-12-10A, Feb. 2012).

Transitions in Iraq and Afghanistan

The United States completed its transition from a military-led to a civilian-led presence in Iraq in December 2011 and continues to plan and implement a similar transition in Afghanistan. In February 2012, the Department announced a formal effort to rightsize the United States mission in Iraq, resulting in a number of facility closures and staffing reductions.¹² As the Department continues these efforts, it is important that mission priorities, security, and cost considerations are synchronized. The tradeoff between security and cost considerations when rightsizing a mission is made clear in recent analyses and estimates of the portion of costs that account for the security and support of programs in Iraq. In June 2012, the Government Accountability Office (GAO) reported that the Departments of State and Defense allocated approximately \$4 billion toward the United States diplomatic presence in Iraq, 93 percent of which was designated solely for security and support costs.¹³ The Special Inspector General for Iraq Reconstruction (SIGIR) reported a similar analysis of the portion of support costs focused on the Police Development Program (PDP) in Iraq—a program to assist the Government of Iraq in strengthening rule of law. In July 2012, SIGIR reported that 94 percent of the PDP's projected fiscal year 2013 budget would be dedicated to support and security activities,¹⁴ and the Department continues to work with the Government of Iraq to define and facilitate a much smaller PDP than was originally envisioned.

On January 1, 2012, the Department became solely responsible for the U.S. Mission in Iraq and the associated foreign policy goals that aim to orient the Government of Iraq and the Iraqi economy towards self-sustainability and a strengthened democracy.¹⁵ Although the United States has completed the transition from a military-led to a civilian-led presence with significant measures of success, the nature and extent of the U.S. foreign policy goals and the attainment of those goals remain unclear amidst environmental and political uncertainty and lack of precedent for such a mission. The sustainment of the transition includes efforts to establish a long-term diplomatic presence leading to normalizing the bilateral relationship in economics, culture, diplomacy, and security; the internal stability of Iraq; and increased stability in the region and to provide the infrastructure necessary for the Department's long-term diplomatic mission including staffing, building, and supporting sites throughout Iraq.¹⁶

Embassy Baghdad, NEA, and the Bureau of Resource Management have made substantial progress establishing consulates and other support facilities and sustaining programs and operations. For example, the Department was able to assume responsibility for a multitude of support services that were previously provided by or procured by the Department of Defense, including security, air transportation, medical care, and some construction projects. Additionally, in January 2012, OIG reported that Embassy Baghdad's emergency action plan was adequately resourced and tested, which is key to the Embassy's ability to respond in emergency situations.¹⁷

In September 2011 and May 2012, OIG and the Special Inspector General for Afghanistan Reconstruction (SIGAR) reported on accounting, management, and cost reporting challenges the Department faced in conjunction with an increased civilian presence in Afghanistan.¹⁸ According to SIGAR's October 30, 2012, quarterly report to Congress, the Department was responsible for approximately \$477 million (2.8 percent) of \$16.5 billion of U.S. Government funds spent on reconstruction programs

¹² U.S. Embassy Baghdad, Special Briefing by Thomas Nides, Deputy Secretary of State for Management and Resources, "Rightsizing U.S. Mission Iraq", Feb. 8, 2012.

¹³ *Assessment of the Transition from a Military to a Civilian-Led Mission in Iraq: Hearing Before the Subcomm. on Nat'l Sec., Homeland Def. and Foreign Operations of the H. Comm. on Oversight and Gov't Reform*, 112th Cong. (2012) (statement of Michael J. Courts, Acting Director, International Affairs and Trade, Government Accountability Office).

¹⁴ *Iraq Police Development Program: Lack of Iraqi Support and Security Problems Raise Questions about the Continued Viability of the Program* (SIGIR 12-020, June 2012).

¹⁵ These goals were laid out in two accords between the United States and the Government of Iraq: *Agreement on the Withdrawal of United States Forces from Iraq and the Organization of Their Activities during Their Temporary Presence in Iraq*, U.S.-Iraq, art. 24, par. 1, Nov. 17, 2008, Temp. State Dep't No. 09-6; *Strategic Framework Agreement for a Relationship of Friendship and Cooperation*, U.S.-Iraq, sec. III, Nov. 17, 2008, Temp. State Dep't No. 09-7.

¹⁶ Staff of S. Comm. on Foreign Relations, 112th Cong., Iraq: The Transition from a Military Mission to a Civilian Led Effort (Comm. Print 2011).

¹⁷ *Evaluation of Emergency Action Plans for Embassy Baghdad and Consulates General Basrah and Erbil* (AUD/MERO-12-18, Jan. 2012).

¹⁸ *The U.S. Civilian Uplift in Afghanistan Has Cost Nearly \$2 Billion, and State Should Continue to Strengthen Its Management and Oversight of the Funds Transferred to Other Agencies* (AUD/SI-11-45, September 2011); *Limited-Scope Audit of Department of State Management of the Afghanistan Civilian Uplift* (AUD/SI-12-36, May 2012).

in Afghanistan during fiscal year 2012.¹⁹ Challenges to the Afghanistan transition included increased costs associated with the assumption of Department of Defense security duties, costs of opening new consulates, and need for housing and office space for the increased civilian personnel. Establishment of additional facilities increased costs as the Department became responsible for supplies and all service provisions, including food, motor pools, vehicle repair, air traffic control at the airport, crash and rescue, medical evacuation, and hospital services, among others.

Diplomacy with Fewer Resources

OIG has also identified countries in other regions where the Department can carry out its mission with a smaller footprint. OIG has recommended that the Department consider closing or downsizing selected consulates; while the Department has downsized a number of consulates, none have been closed.

OIG examined the Department's Regional Information Management Center (RIMC) in Frankfurt, Germany, and determined that moving 80 percent of RIMC positions back to the United States would reduce the exposure of American personnel to security risks overseas and would save as much as \$18.3 million a year in recurring administrative support costs. The RIMC deployed approximately 100 people overseas, but a majority of the work that staff members performed was not time sensitive and did not require their presence overseas. OIG believes that leaving 20 percent of the RIMC workforce deployed overseas would be sufficient to provide timely support for repairs or crises.

In 2012, OIG recommended reducing overseas direct hire and locally-employed staff positions. At Consulate General Hong Kong and the American Institute in Taiwan, consular officer visa workload declined significantly without commensurate staffing adjustments. OIG also found functions performed at overseas locations that could be performed more cost effectively from a lower cost mission or from domestic locations. In Vienna, OIG recommended that the Bureau of Population, Refugees and Migration (PRM) move a regional facility servicing refugees from Europe and the countries in the former Soviet Union to a lower cost location.

In the 2011 inspection report²⁰ of Embassy Berlin, OIG recommended that Consulates General Dusseldorf and Hamburg be significantly downsized, Hamburg's underutilized U.S. Government-owned property sold, and the replacement office space leased. Embassy Berlin concurred with OIG recommendations to drastically restructure the staffs at Consulates General Dusseldorf and Hamburg, to sell the U.S. Government-owned property in Hamburg, and to close the small consular operation in Leipzig. On August 20, 2012, Embassy Berlin implemented a major reduction in force of locally employed (LE) staff and planned the reprogramming or elimination of several U.S. direct-hire positions at the three consulates general.

In fiscal year 2013, OIG inspected²¹ Embassy Bangui, Central African Republic, and determined that the embassy's management challenges were not being fully met. The embassy struggled to overhaul its operations after reopening in 2005, including doubling its U.S. direct-hire staff and a major restructuring of LE staffing—all in the absence of a permanent management officer. Excessive dependence on temporary duty support (about 10 temporary duty personnel a month in the past year) has compromised effective use of embassy resources and increased the cost of operating the embassy. Another issue is the Department's increasing dependence on automated management systems that impose a bureaucratic overhead on small posts with inexperienced staff. OIG strongly recommended that the Bureau of African Affairs assess the type of presence it wishes to maintain in the Central African Republic and develop a strategy to staff and support the embassy appropriately.

The Department has achieved limited success in eliminating redundant management platforms and services. Despite progress at many posts, redundancies remain in basic service areas, e.g., furniture and furnishings, motor transportation, administrative procurement, and LE staff recruiting.²² The QDDR underscores the Department's commitment to continue consolidating Department and U.S. Agency for International Development (USAID) administrative platforms.²³ While the Department focuses on duplicative services maintained by USAID, OIG recommends it also

¹⁹Special Inspector General for Afghanistan Reconstruction, *Quarterly Report to the United States Congress*, Oct. 30, 2012.

²⁰*Inspection of Embassy Berlin, Germany* (ISP-I-11-65A, Sept. 2011).

²¹*Inspection of Embassy Bangui, Central African Republic* (ISP-I-13-13A, Feb. 2013).

²²ISP-I-12-24A.

²³The Department recently established a Joint Management Board with the U.S. Agency for International Development.

review other sources of redundancy, particularly at posts with Narcotics Affairs sections²⁴ and Centers for Disease Control offices.

Foreign Assistance Coordination and Oversight

In fiscal year 2011, U.S. foreign assistance totaled \$32 billion,²⁵ much of which was devoted to peace and security programs in Iraq, Afghanistan, and Pakistan and global HIV/AIDs prevention and democracy promotion activities. Foreign assistance coordination among agencies and Department bureaus remains inadequate.²⁶ OIG has found duplication among agency programs and staffing. In the QDDR, the Department and USAID recognized the need to better coordinate programs and established a goal of empowering the Chief of Mission to better oversee all agency activities. Consistent with this goal, the Foreign Service Institute expanded coverage of development and foreign assistance management in its economic and political courses, including a new course on development and diplomacy.

Of the seven Department-managed programs currently operating in Afghanistan, the International Narcotics Control and Law Enforcement (INCLE) program, operated by the Bureau of International Narcotics and Law Enforcement Affairs (INL), received approximately \$324 million in fiscal year 2012, roughly 68 percent of the Department's total appropriation for Afghan reconstruction that year. In December 2009, OIG reported that "the Department of State lacks a long-term strategy and a clear end state for its counternarcotics programs in Afghanistan, which hinders planning and prevents an accurate assessment of effectiveness."²⁷ OIG found impediments to adequate Department planning and oversight in the form of the Afghan Government's weak judicial system, internal corruption, economic uncertainty, financial fraud, religious conflicts, unstable security, and uncontrolled borders. OIG recommended that INL establish clearly defined and measurable performance objectives, milestones, and benchmarks for a comprehensive counternarcotics plan; and increase coordination and communication between appropriate embassies, bureaus, industry experts, Provincial Reconstruction Teams, and Afghan officials and local citizens to garner support, knowledge, and skill for collaborative counternarcotics efforts. Although INL and Embassy Kabul concurred with OIG's recommendations and made progress toward implementation, the same external obstacles to oversight persist.

In fiscal year 2011, the Congress awarded the second largest portion of the Department's Afghan reconstruction appropriations, approximately \$65 million,²⁸ to humanitarian efforts in the form of PRM's Migration and Refugee Assistance program. In a July 2011 MERO report²⁹ on reintegration assistance for refugees returning to Afghanistan, OIG found that the Department's partnership with the United Nations High Commissioner for Refugees (UNHCR) and other nongovernmental organizations had been generally successful in providing medical examinations, cash stipends, and shelter materials to returning refugees. However, OIG further stated that "[b]ecause of the Afghan Government's inability to provide adequate assistance to returnees, the international community mainly bears the burden."³⁰ OIG identified an example of this inequitable distribution in the poorly administered Afghan Government's Land Allocation Scheme, originally designed to award land plots to returning refugees. Citing mismanagement and failure to achieve intended goals, the UNHCR withdrew financial support from the program and attempted to supplement the absence of land awards with its own infrastructure projects and revenue generating programs. As land disputes and security concerns continue to jeopardize the delivery of assistance to returnees, PRM is often forced to enlist third-party proxies, which further complicate our ability to comprehensively monitor direct funds.

Given rapidly changing relationships and events in frontline states and at other missions, regularly evaluating programs is critical. At Embassy Beirut,³¹ OIG noted

²⁴ *Compliance Follow-up Review of Embassy Bogotá, Columbia* (ISP-C-09-08A, Dec. 2008); *Embassy La Paz, Bolivia* (ISP-I-08-56A, Sept. 2008).

²⁵ Fiscal Year 2011 Congressional Budget Justification for Foreign Operations.

²⁶ *Inspection of Embassy Nairobi, Kenya* (ISP-I-12-38A, Aug. 2012); *Inspection of Embassy Pretoria, South Africa, and Constituent Posts* (ISP-I-11-42A, June 2011); *Compliance Followup Review of Embassy Islamabad and Constituent Posts, Pakistan* (ISP-C-12-28A, May 2012); *Compliance Followup Review of Embassy Kabul, Afghanistan* (ISP-C-11-53A, June 2011).

²⁷ *Status of INL Counternarcotics Programs in Afghanistan* (MERO-A-10-02, Dec. 2009).

²⁸ *Joint Strategic Oversight Plan for Afghanistan Reconstruction Fiscal Year 2013*.

²⁹ *PRM's Reintegration Assistance Program for Refugees Returning to Afghanistan* (MERO-1-11-10, July 2011).

³⁰ *Ibid.*

³¹ ISP-I-12-10A.

that the mission had successfully increased and recalibrated assistance programs totaling \$238 million to strengthen Lebanese civil society and institutions after Syrian troops withdrew in 2005. At Embassy Islamabad,³² OIG highlighted the mission's challenge in executing extensive assistance programs, as most programs were envisioned as part of a 2009 grant engagement strategy. Changes in the bilateral relationship between the United States and Pakistan coupled with pervasive corruption and a lack of absorptive capacity in many levels of government, a daunting security environment, and a shortage of secure office space and staffing had contributed to a large pipeline of unspent assistance funding. OIG recommended the Department review all staffing plans, requests, and construction projects with an eye to scaling them back. The mission completed a rightsizing review and reduced its projected 5-year staffing numbers by 200 positions, required project-based or time-specified positions to be re-evaluated in a timely manner, and identified problems that would jeopardize the viability of current and proposed construction projects if changes in the scale of foreign assistance to Pakistan occur.³³

Financial Management

Financial management continues to be a significant challenge for the Department. During the audit of the fiscal year 2011 financial statements, an independent auditor identified potentially material amounts related to after-employment benefits provided to LE overseas staff that had not been previously reported on the Department's financial statements, which impacted the fiscal year 2011 and 2010 financial statements. The independent auditor also identified significant internal control deficiencies related to financial reporting, property and equipment, budgetary accounting, unliquidated obligations, accounts payable accruals, and information technology.³⁴ In fiscal year 2011, the Department made progress toward improving controls over financial management. For instance, the Department took actions to address certain aspects of the deficiency related to after-employment benefits. However, the Department acknowledged that the deficiencies identified in the financial statement audit report would require more attention and improvement.³⁵

OIG conducted a survey of voucher processing to assess the Department's use of the Bureau of the Comptroller and Global Financial Services (CGFS)/Post Support Unit (PSU). Resulting analysis of International Cooperative Administrative Support Services data and post inspection fieldwork revealed that it is more economical to outsource voucher processing than to hire or replace local staff. The report highlighted that PSU charges \$12 per voucher strip code whereas the average cost per strip code at embassies was \$34. At a number of missions, including those in Paris, London, and Rome, costs exceeded \$50 per strip code. Accordingly, OIG made formal recommendations to outsource a portion of post voucher workload to CGFS/PS for an approximate cost savings of up to \$18 million.

Information Security and Management

The Department continues to struggle with the implementation of a fully effective information security management program. During the fiscal year 2012 Federal Information Security Management Act of 2002 (FISMA) audit,³⁶ OIG determined that the Department had not documented policy and procedures to identify baseline controls nor effectively implemented FISMA and OMB requirements in support of information technology systems. OIG made 31 recommendations to enhance information programs and to protect infrastructure critical to the preservation of national security. During recent inspections, OIG also identified information systems security shortcomings that leave embassies vulnerable to cyber security attacks. Information systems staff often lack appropriate security training.³⁷ At a number of posts, Information Systems Security Officers are not performing required duties³⁸ primarily because of competing priorities, inadequate guidance, or a lack of planning. To strengthen security measures and facilitate security checks, OIG has recommended that domestic bureaus consolidate classified materials and processing equipment in

³² ISP-C-12-28A.

³³ Embassy Islamabad compliance correspondence (12 MDA 25018).

³⁴ *Independent Auditor's Report on the U.S. Department of State 2011 and 2010 Financial Statements* (AUD/FM-12-05, Nov. 2011).

³⁵ *Ibid.*

³⁶ *Evaluation of Department of State Information Security Program* (AUD-IT-13-03, Nov. 2012).

³⁷ *Inspection of Embassy Algiers, Algeria* (ISP-I-12-06A, Jan. 2012); *Inspection of the American Institute in Taiwan* (ISP-I-12-12A, Feb. 2012).

³⁸ ISP-I-12-06A. *Inspection of Embassy Port-au-Prince, Haiti* (ISP-I-12-24A, May 2012); *Inspection of Embassy Beirut, Lebanon* (ISP-I-12-10A, Feb. 2012).

interior, enclosed, secure offices rather than scattering classified resources in several locations.³⁹

In addition, the Department continues to have problems with systems development, as noted in the inspection of the Bureau of Consular Affairs' Office of Consular Systems and Technology.⁴⁰ Often domestic bureaus and offices do not follow mandated systems development life-cycle requirements. In the Bureau of Educational and Cultural Affairs,⁴¹ insufficient stakeholder involvement resulted in a system that did not meet user needs, and many offices developed separate systems to fill the gaps. OIG also found insufficient documentation supporting system changes and inadequate security and vulnerability testing. There is no Department-mandated methodology for documenting compliance with systems development life-cycle requirements, the absence of which contributes to these shortcomings.⁴²

Information technology (IT) contingency planning is critical to ensure that systems are protected and can quickly resume operations after unforeseen incidents, such as power outages, equipment failures, or natural disasters. In December 2011, OIG noted that in 20 of 50 (40 percent) recent inspections, IT contingency planning shortcomings were identified.⁴³ OIG recommended that the Department track bureau and post compliance with IT contingency planning requirements, incorporate contingency planning in Department-wide IT risk scoring methodology, and consider adherence to contingency planning requirements in performance appraisals of responsible systems owners and IRM personnel.

Effective Embassy Leadership

Ensuring that leaders and managers with appropriate skills lead our missions remains a challenge. OIG continues to find deficiencies in senior leadership at some overseas locations. While most leaders of missions abroad are performing very well, especially in areas such as advocating U.S. policies and actively engaging in public diplomacy, some are falling short in managing their missions. This has resulted in reduced productivity and effectiveness, low morale, and costly personnel curtailments.

Some leaders have demonstrated a lack of discipline in deploying personnel and financial resources. Some Chiefs of Mission have tasked their staff with numerous personally generated initiatives, which take time and resources away from work that is more central to advancing high-priority policy objectives. Some leaders fall short in developing and motivating staff, and some treat staff poorly. A very few have been insufficiently attentive to required security procedures.

All Chiefs of Mission and Deputy Chiefs of Mission, no matter how successful, could improve their performance based on feedback from their staff and their colleagues in the Department and other Government agencies. For this reason, in 2010, OIG recommended that the Department institute a system to regularly assess the performance of leaders overseas and in the United States and to take remedial actions when necessary, including training, counseling, and, if necessary, reassignment.⁴⁴ While the Department's QDDR process has focused attention on strengthening leadership of overseas missions, there has been little progress on this issue during the past year. OIG continues to provide advice to the Department based on its inspections.

Protection of People and Facilities

Despite the significant associated cost, the Department's highest priority is the safety and security of personnel and resources at both domestic and overseas posts. Protecting people, facilities, and information in areas of armed conflict and at missions rated critical for terrorist threat is a particular challenge. The conditions confronting U.S. Government personnel abroad are fraught with security risks, as evidenced by the September 2012 attack on the U.S. diplomatic post in Benghazi, Libya, that killed four Americans, including the American Ambassador. This month, another young Foreign Service officer was killed and several of her colleagues were

³⁹ *Inspection of the Bureau of Consular Affairs, Directorate of Overseas Citizens Services, Office of Children's Issues, Office of Policy Review and Interagency Liaison, and the Planning, Programs, and Systems Liaison Division* (ISP-I-12-21, May 2012).

⁴⁰ *Inspection of the Bureau of Consular Affairs, Office of Consular Systems and Technology* (ISP-I-11-51, May 2011).

⁴¹ *Inspection of the Bureau of Educational and Cultural Affairs* (ISP-I-12-15, Feb. 2012).

⁴² *Inspection of the Bureau of Information Resource Management, Systems and Integration Office* (ISP-I-12-30, June 2012).

⁴³ *Memorandum Report—Improvements Needed in Information Technology Contingency Planning* (ISP-I-12-04, Dec. 15, 2011).

⁴⁴ *Memorandum Report—Implementation of a Process to Assess and Improve Leadership and Management of Department of State Posts and Bureaus* (ISP-I-10-68, June 29, 2010).

injured by a blast from an improvised explosive device while delivering donated books to a school in the Zabul province of Afghanistan.

Over the past year, OIG has conducted two extensive audits of the Department's compliance with existing physical security standards at 10 overseas posts chosen for their locations in volatile political climates. OIG found that selected posts were not always in compliance with current physical security standards and that common physical and procedural security deficiencies occurred among the posts reviewed.⁴⁵ As fiscal demand to ensure adequate security measures at international posts increases, financial reserves devoted to physical security in domestic offices are progressively strained.⁴⁶ DS established physical security standards for the Department's domestic facilities a few years ago in response to an executive order.⁴⁷ DS, responsible for compliance with security standards, designs security features for upgrades and coordinates funding with Department bureaus that request security upgrades.⁴⁸ In recent domestic inspections, OIG found required upgrades had not occurred because of a lack of funding.

The Department is further challenged to foster better cooperation with host nations and to effectively manage its security programs under sometimes precarious conditions. At some of these missions, the host government sponsors or turns a blind eye to the harassment and intimidation of mission personnel, both American and local national.⁴⁹ At one mission, the host government slowed visa issuance to security personnel to a trickle. At another, the host government interfered with incoming classified and unclassified diplomatic pouches. These actions severely hampered the mission's security operations.

In the wake of the Department's recent losses overseas, the Congress has shown tremendous support for our Foreign and Civil Service personnel working to promote international diplomacy abroad by appropriating an additional \$2 billion to support strengthened Embassy and consulate security this year. While we recognize that the expense to improve security is considerable, especially during difficult times of fiscal constraint, the alternative cost—the lives of our diplomats—is a far greater price to pay. OIG remains committed to ensuring that the congressional appropriations designated to protect our personnel are put to worthwhile use and appropriately monitored.

BROADCASTING BOARD OF GOVERNORS KEY CHALLENGES

Our oversight responsibilities also include Broadcasting Board of Governors (BBG) programs and activities, and we have identified broadcasting efficiency and financial management as challenges to reducing waste, improving efficiencies, and achieving savings.

Effective Broadcasting

BBG plans to reallocate resources from less effective transmission technologies to newer, more popular media. OIG found that International Broadcasting Bureau (IBB) transmitting stations in Thailand and Germany had implemented cost-saving measures, including automating shortwave, medium wave, and frequency modulation transmission platforms and using the latest antenna technology for shortwave transmissions.⁵⁰ In Thailand, these measures could annually save \$1.2 million annually; however, plans to cut costs by privatizing operations at the Udorn, Thailand station had been on hold for 2 years as BBG headquarters considered the future of that station. OIG recommended BBG's final privatization proposal address a number of U.S. laws and regulations to include those requiring full and open competition and certification that contractors would not perform inherently governmental functions.⁵¹

⁴⁵ OIG defined common deficiencies as deficiencies found in two or more of the five posts reviewed.

⁴⁶ Fiscal Year 2014 Bureau Resource Request, Bureau of Diplomatic Security.

⁴⁷ Standards were patterned after the security standards issued by the Interagency Security Committee, under the Department of Homeland Security, as authorized by Executive Order 12977.

⁴⁸ 1 FAM 262.1-1(B), "Facilities Security Division."

⁴⁹ *Embassy Sanaa, Yemen* (ISP-I-10-63A, June 2010) and ISP-S-12-28A.

⁵⁰ *Broadcasting Board of Governors' Operations in Thailand* (ISP-IB-11-33, March 2011); *International Broadcasting Bureau's Germany Transmitting Station* (ISP-IB-11-66, Sept. 2011).

⁵¹ *Broadcasting Board of Governors' Operations in Thailand* (ISP-IB-11-33, Mar. 2011); *Compliance Followup Review of Broadcasting Board of Governors' Operations, Thailand* (ISP-IB/C-12-34, June 2012).

Executive Management

OIG found⁵² the nine-member BBG to be committed to the goals of U.S. international broadcasting, characterized by journalism of the highest caliber and a commitment to supporting democracy and freedom; however, the Board was failing in its mandated duties, including implementation of key aspects of its 5-year strategic plan. The Board's dysfunction stemmed from a flawed legislative structure; acute internal dissension; chronic vacancies and absences of members; and a part-time schedule that did not allow for effective supervision of broadcasting. The system that allowed Governors to serve concurrently on the Board and the corporate boards of the broadcast entities created conflicts of interest and confusion regarding roles and responsibilities. BBG also lacked a comprehensive travel policy for both domestic and international official trips.

OIG recommended that BBG coordinate with OMB and congressional oversight committees to propose new legislation for international broadcasting that includes enhancing authority for the Board Chairman in Board governance and focusing the Board on its strategic oversight and direction roles; appointing a chief executive officer to coordinate operational aspects of the broadcast entities and their support structure; removing Governors from the corporate boards of the broadcast entities; and implementing a mechanism for censure or removal of Governors for actions that impede the Board's execution of its duties. OIG also made recommendations for BBG to implement a comprehensive travel policy that relates Board travel to strategic objectives and followup actions and to strengthen internal Board governance.

Financial Management

Financial management continues to be a challenge for BBG. In 2011, BBG received an unqualified opinion⁵³ on its financial statements. Although this is an achievement, the independent auditor identified significant internal control deficiencies related to property and equipment, unliquidated obligations, and after-employment benefits for LE staff. BBG planned to strengthen internal control over property and equipment to ensure property transactions are timely and accurately recorded by expanding training. In addition, BBG planned to refine the standard process for recording acquisition and disposal information. BBG had implemented a new monthly process to facilitate the timely review of unliquidated obligations, upon which BBG planned to expand to ensure a systemic process is in place to deobligate unneeded obligations. BBG also planned to develop and maintain and inventory of after-employment benefits provided to local employees.

CONCLUSION

During this marked time of fiscal challenge, we must remain ever-vigilant of our grave obligation to American taxpayers to ensure the most economic, efficient, and effective use of Department resources. In fiscal year 2014, as in years past, we will continue to devote our best efforts in pursuit of this goal and in furtherance of our mission to promote "effective management, accountability, and positive change." I am grateful for your support and consideration.

PREPARED STATEMENT OF STUART W. BOWEN, JR., SPECIAL INSPECTOR GENERAL FOR IRAQ RECONSTRUCTION

Chairman Leahy, Ranking Member Graham, and members of the subcommittee, it is an honor to provide the Special Inspector General for Iraq Reconstruction's (SIGIR's) written statement for the subcommittee in support of your hearing on the administration's fiscal year 2014 budget request.

You requested that I summarize the lessons learned from my Iraq oversight mission as they apply to reducing waste, improving efficiencies, and achieving savings of taxpayer dollars.

Putting my conclusions up front, I believe that the Congress should:

- reform the way the Government plans, funds, executes, and accounts for the expenditures on and the effects of stabilization and reconstruction efforts;
- reform the management practices of civilian foreign policy agencies in post-conflict situations; and
- ensure the provision of robust, aggressive, and continuous oversight of all aspects of stabilization and reconstruction operations by establishing a permanent oversight capacity for such operations within the executive branch.

⁵² *Inspection of the Broadcasting Board of Governors* (ISP-IB-13-07, Jan. 2013).

⁵³ *Independent Auditor's Report on the Broadcasting Board of Governors 2011 and 2010 Financial Statements* (AUD/IB-12-07, Nov. 2011).

Too little attention has been paid to the effects and results of U.S. rebuilding programs in Iraq. Our recent report, *Learning From Iraq*, delves into this issue. It underscores the fact that the focus in Iraq was on outputs not outcomes. Requiring evaluations of programs could be a good remedy with regard to closing this reporting gap for future operations and programs.

It is avowedly challenging to measure the effects and results of stabilization and reconstruction programs. We are aware of efforts under way in the development world, familiar to the subcommittee, to do a better job in this regard. I need to stress that having a positive impact is, in the case of stabilization and reconstruction work, a national security imperative; failing to do so wastes not just money but can contribute to the tragic loss of human life. We documented the deaths of at least 719 Americans, Iraqis, and third-country nationals that occurred while these individuals were supporting reconstruction efforts. Among those casualties were at least 318 Americans—U.S. military, Federal civilian employees, and U.S. civilian contractors. Our collective obligation to those who gave their all for the Iraq effort must be to effect real change in how we plan and conduct stabilization and reconstruction operations (SROs).

SIGIR's 390 audits and inspections reveal a lack of unity of command and thus poor unity of effort within the Iraq program. In particular, the Department of State did not exercise management controls consistent with its prerogatives, either as provided in law (through Chief of Mission authority) or in Presidential directives (such as NSPD-36), over the activities of other agencies. In particular, the Department of Defense often executed projects only nominally overseen by civilian agencies.

An ad hoc approach prevailed in Iraq. Effective action depended on the ability of the most-senior individuals to work well together. No coherent integrated institutional capacity existed. Temporary organizations, both civilian and military, were established and then abolished with mind-numbing abandon.

Stabilization and reconstruction operations are simply too important for ad hoc solutions to persist. It is unfortunately the case that some government managers disdain planning. Thus, to ensure proper planning for SROs, the Congress must legislate to require it. Although future SROs will probably be on a smaller scale than those we saw in Iraq or Afghanistan, such operations could easily be on the scale of what we saw in the Balkans, which were not small. A legislated solution to our extant SRO problem is crucial to protecting our national security interests in the future. Chapter Six in *Learning From Iraq* outlines just such a solution.

The key lessons from our audit, inspection, and investigative efforts are set out below. Additional information on SIGIR's activities is found at the end of this statement.

LESSONS LEARNED FROM AUDITS

During the course of conducting 220 audits, SIGIR identified a number of critical deficiencies in reconstruction planning, implementation, and oversight. The problems ranged from the absence of assessments on the security situation to inadequate internal controls that would ensure that the U.S. received the goods and services it was buying and at a reasonable price.

The numerous problems uncovered in SIGIR's audits contributed significantly to reduced program effectiveness and increased potential for fraud, waste, and abuse. If the causes and effects of these problems are not fully understood and actions are not taken to forestall their recurrence, similar negative outcomes will recur in future SROs.

The principal lessons learned are:

- A Successful SRO Requires a Balancing of Security, Political, and Economic Interests
 - Risks of violence must be assessed at the SRO's outset.
 - Risks to human life must be weighed against potential outcomes.
 - Costs and benefits of initiating projects requiring high security costs must be carefully weighed.
- A Successful SRO Requires an Integrated Management Structure That Provides Clear Lines of Authority on Program Coordination and Delivery of Projects
 - Defining roles and missions of all involved U.S. agencies is a necessary prerequisite for effective reconstruction planning.
 - Programs require management accountability and effective coordination to avoid waste.
- A Successful SRO Requires an Integrated U.S. Reconstruction Management Information System to Ensure Effective Accountability
- A Successful SRO Requires Integrated Personnel Practices that Reduce Turnover and Deploy the Right Skill-Sets to the Right Places

- Obtaining the required number of skilled personnel is essential in managing reconstruction during an SRO.
- Reducing turnover of contract and program management personnel is necessary for effective management.
- A Successful SRO Requires Strong Oversight of Contracts, Grants, and Other Procurements To Limit Fraud, Waste, and Abuse
 - Advance planning reduces fraud, waste, and abuse.
 - Reviews of contractor invoices and audits of final incurred costs can ensure payments are correct.
 - Close oversight of deliverables and inventory promotes contract compliance and deters loss and theft.
 - Close oversight of cash transactions deters fraud, waste, and abuse.
 - Grants awarded in Stabilization and Reconstruction Operations require stronger oversight than those awarded in stable areas.
 - Maintaining comprehensive contract and project records promotes effective oversight.
- A Successful SRO Needs Clear and Measurable Goals and Objectives
- A Successful SRO Works Closely with Host Governments to Promote Program and Project Sustainment
 - Host governments must be involved in identifying sustainable reconstruction priorities and needs.
 - Obtaining host-government cost sharing ensures long-term sustainment.
- Accountability and Oversight of Private Security Contractors Is Vital in Politically Sensitive Contingency Operations
 - Establishing core standards and immediately investigating possible breaches ensures that the use of private security contractors does not adversely affect the mission.
 - Obtaining an accurate accounting of private security contractor costs is essential for planning and budgeting operations.

LESSONS LEARNED FROM INSPECTIONS

During the course of its 170 project assessments, SIGIR's Inspections Directorate identified 13 essential lessons about project planning, execution, and oversight in a stabilization and reconstruction operation and are as follows.

- Achieve a secure environment before initiating major reconstruction activities.
- Enforce contracts to reward good performance and hold poor performers accountable.
- Design projects in accord with the host nation's capacity to maintain and sustain them.
- If a project requires sophisticated equipment, encourage the host nation to contract for operations and maintenance with a qualified contractor until organic capacity is established.
- Base project reporting on actual construction progress and not on the amount that the contractor has been paid to date.
- Ensure that contractor invoices are reviewed by U.S. construction management before payment is made.
- Do not allow construction activities to begin before detailed drawings have been prepared and approved.
- Design projects that anticipate potential limitations of electrical power and potable water sources.
- Require oversight managers to regularly visit sites as part of a project's quality assurance program.
- When designing projects, work with host nation users to create effective, usable, and culturally sensitive facilities.
- Enhance coordination and decision making by consolidating all project data in a unified information management system.
- Do not underestimate the importance of relatively small "last-mile" projects to the success of large-scale reconstruction projects.
- Minimize use of "nested tiers" of subcontractors in stabilization and reconstruction operations.

LESSONS LEARNED FROM INVESTIGATIONS

During the course of its work investigating possible crimes committed during Iraq reconstruction SIGIR identified 10 lessons that would be applicable under similar circumstances.

- Ensure that law-enforcement agencies have appropriate investigative plans and procedures in place before an SRO begins, with trained personnel who are well

prepared to carry them out. SRO investigators should have white-collar fraud experience.

- Use non-law-enforcement forensic assets, such as auditors and inspectors, to generate leads for investigations. A number of early cases had their foundations in SIGIR audit or inspection findings. We formed forensic teams that combined auditors and investigators.
- Pursue a holistic approach to case management that integrates the efforts of in-theater investigators with U.S.-based investigators and prosecutors. In concert with the Department of Justice (DOJ), SIGIR created a new program in 2009 called SIGPRO (SIGIR Prosecutorial Initiative), in which the Inspector General hired prosecutors and paralegals and detailed them to the Fraud Section of the Criminal Division of DOJ to work on Iraq criminal cases. The work of the SIGPRO prosecutors has resulted in three court precedents: one affirmed The Wartime Suspension of Limitations Act, title 18 United States Code (U.S.C.), section 3287; another extended the extra-territorial jurisdiction of title 18 U.S.C. 208, Conflict of Interest; and the third extended the extra-territorial jurisdiction of title 18 U.S.C. 641, Theft of Public Funds.
- Maintain strong relations with host-country law-enforcement officials to bolster case development, evidence gathering, and the pursuit of potential suspects in country.
- Avoid bureaucratic turf battles among law-enforcement agencies by building a task-force approach that brings all agencies together around the law-enforcement mission.
- Ensure flexibility in personnel requirements, staffing numbers, and deployment procedures. SIGIR's enabling statute provided employment flexibilities, permitting the dynamic management of investigative personnel. Standard U.S. Government personnel regulations are too unwieldy for use in highly demanding SRO environments.
- Prioritize using advanced criminal-intelligence techniques and developing informants in theater. SIGIR successfully used undercover stings, the “wiring” of informants, and a variety of technical capabilities.
- Engage with partner-nation law-enforcement agencies to prosecute non-U.S. criminals. SIGIR developed relationships with law-enforcement agencies in Coalition-member countries, allowing the prosecution and conviction of non-U.S. personnel in their home jurisdictions.

CONCLUSION

Chairman Leahy, Ranking Member Graham, and members of the subcommittee, thank you for your indispensable support to SIGIR over the years. I hope this statement and the audits, inspections, investigations, and studies that support our recommendations have proven helpful to you. We stand ready to respond to any follow-up inquiries you may have.

SIGIR SUMMARY OF PERFORMANCE

[As of April 2013]

AUDITS	CUMULATIVE
Reports Issued	220
Recommendations Issued	487
Potential Savings if Agencies Implement SIGIR Recommendations to:	
Put Funds to Better Use (\$ Millions)	\$973.62
Disallow Costs SIGIR Questioned (\$ Millions)	\$640.68
INSPECTIONS	
Project Assessments Issued	170
Limited On-site Assessments Issued	96
Aerial Assessments	923
INVESTIGATIONS	
Investigations Initiated	638
Investigations Closed or Referred	577
Open (Active) Investigations	61
Arrests	41
Indictments	105
Convictions	83
Sentencings	72
Monetary Results (\$ Millions)	\$192.0
HOTLINE CONTACTS	
Email	413
Fax	19
Mail	30
Referrals	26
SIGIR Website	200
Telephone	84
Walk-in	112
Total Hotline Contacts	884
OTHER PRODUCTS	
Congressional Testimony	36
Lessons Learned Reports	9
Special Reports	3
Evaluation Reports	1
Quarterly Reports	35

PREPARED STATEMENT OF JOHN F. SOPKO, SPECIAL INSPECTOR GENERAL FOR
AFGHANISTAN

REDUCING WASTE, IMPROVING EFFICIENCIES, AND ACHIEVING SAVINGS IN THE UNITED
STATES RECONSTRUCTION OF AFGHANISTAN

Chairman Leahy, Ranking Member Graham, and members of the subcommittee, thank you for the opportunity to provide written testimony to aid in your consideration of the Department of State (DOS) fiscal year 2014 budget request for Afghanistan.

The Congress has appropriated nearly \$93 billion since 2002 to rebuild Afghanistan.¹ For fiscal year 2014, DOS and the U.S. Agency for International Development (USAID) have requested an additional \$3.4 billion—more than is requested for any other nation. If approved, this request will bring the total amount of appropriated funds that remain to be spent in Afghanistan to more than \$20 billion. It is the mis-

¹ This figure does not include the final fiscal year 2013 allotment figures for DOS and USAID, which are still under negotiations based on the funding level appropriated by Public Law 113-6.

sion of the Special Inspector General for Afghanistan Reconstruction (SIGAR) to ensure that these funds are spent as effectively and efficiently as possible and that they are protected from waste, fraud, and abuse.

This statement summarizes the impact of SIGAR's recommendations to date and details seven major reconstruction challenges United States decisionmakers must address in Afghanistan. It is based on several previously published SIGAR reports and our ongoing analysis of U.S. funded reconstruction programs.

SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION'S RECOMMENDATIONS HAVE IMPROVED PROGRAM EFFECTIVENESS AND EFFICIENCY AND ACHIEVED MONETARY SAVINGS

Since the end of 2008, when the Congress created SIGAR, its auditors and inspectors have completed 75 audit and inspection reports and made 245 recommendations that have identified \$1.8 billion in questioned costs, funds that can be put to better use, and funds identified for potential recovery. Federal agencies have implemented many of these recommendations to strengthen their ability to develop and execute programs, improve program management and quality control, and realize cost savings. For example, in 2011, SIGAR found that U.S. Army Corps of Engineers (COE) contracting officers were unaware of refunds due to the U.S. Government in cases where contractors had overestimated their labor costs.² Pursuant to SIGAR's recommendations, USACE took immediate steps to have insurance refunds sent directly to the U.S. Government. Thus far, the refund checks amount to \$11 million. Additionally, COE implemented SIGAR's recommendation to establish a collection process to recover as much as \$58.5 million identified in the audit report as potential refunds due to the Government.

However, SIGAR currently has 71 open recommendations, 31 of them directed to DOS, USAID, or both. If all of these 31 recommendations were accepted and fully implemented, they would result in more than \$131.6 million in funds saved or put to better use and would strengthen the implementation of reconstruction projects in Afghanistan. For example, SIGAR reported in April 2012 that, although the majority of USAID's 305 major awards for Afghanistan had been completed or had expired as of September 30, 2011, most had not been closed due, in part, to delays in conducting close-out audits, as required.³ Therefore, SIGAR found that USAID lacked assurance over the use and disposition of its funds and property for completed or expired awards and had delayed the potential recovery of \$103 million in unliquidated obligations. SIGAR recommended that USAID expedite close-out audits for expired awards, especially for those awards with unliquidated obligations. USAID acknowledged the recommendation and stated that it was pursuing more aggressive means to audit and close out awards. However, USAID has not yet completed the process of closing the awards highlighted in SIGAR's report. SIGAR continues to monitor USAID's progress in implementing this recommendation.

SEVEN KEY QUESTIONS FOR DECISIONMAKERS

While recommendations in individual audit and inspection reports are useful for strengthening reconstruction programs and recovering funds for the U.S. taxpayer, they are primarily retrospective. In other words, once SIGAR has conducted an audit or inspection, found one or more problems, and recommended steps to address them, those problems have already occurred. That is why, in its January 2013 Quarterly Report to Congress, SIGAR laid out seven key questions—based on common challenges identified through its body of work—that decisionmakers, including the Congress, should ask as they consider whether and how best to use the remaining reconstruction funds:

Does the Project or Program Make a Clear and Identifiable Contribution to Our National Interests or Strategic Objectives?

- Do the Afghans want it and need it?
- Has it been coordinated with other United States implementing agencies, with the Afghan Government, and with other international donors?
- Do security conditions permit effective implementation and oversight?
- Does it have adequate safeguards to detect, deter, and mitigate corruption?

² SIGAR Audit 11–15, Weaknesses in the USACE Defense Base Act Insurance Program Led to as Much as \$58.5 Million in Refunds Not Returned to the U.S. Government and Other Programs, July 28, 2011.

³ SIGAR Audit 12–9, USAID Has Disbursed \$9.5 Billion for Reconstruction and Funded Some Financial Audits as Required, But Many Audits Face Significant Delays, Accountability Limitations, and Lack of Resources, April 25, 2012 (reissued May 2, 2012).

—Do the Afghans have the financial resources, technical capacity, and political will to sustain it?

—Have implementing partners established meaningful, measurable metrics for determining successful project outcomes?

These questions are simple, but SIGAR has found that implementing agencies consistently fail to consider them fully before obligating funds. The remainder of this testimony will elaborate upon these seven questions and outline SIGAR's proposal for applying them to new reconstruction programs and projects.

Does the project or program make a clear and identifiable contribution to our national interests or strategic objectives?

The United States' primary goal in Afghanistan has been to prevent Afghanistan from becoming, once again, a safe haven for al-Qaeda or other terrorist groups to launch attacks against the United States. One central tenet of the U.S. campaign to achieve this goal has been the counterinsurgency or "COIN" approach, with its three primary phases of "clear", "hold", and "build."

SIGAR's work has found instances in which reconstruction programs have failed to achieve this intended benefit and, in some cases, may have actually resulted in adverse effects. In April 2012, for example, SIGAR released an audit report on the Local Governance and Community Development program (LGCD), which the USAID described as its "flagship COIN program."⁴ The program's primary goal was to help create—in partnership with the Afghan Government—a stable environment for long-term political, economic, and social development. However, SIGAR found that the program had not met its primary goal of extending the legitimacy of the Afghan Government, brought the government closer to the people, or fostered stability. In fact, SIGAR's auditors found that each of the eight provinces with the most LGCD activity experienced dramatic increases in the level of violence between 2006 and 2010. Although the effects of LGCD on security levels cannot be isolated, violence data is a useful indicator of stability. And this data suggested that the LGCD program was not achieving its intended results.

More recently, SIGAR reported on weaknesses in the U.S. Government's efforts to avoid contracting with entities or individuals determined to be actively supporting an insurgency or otherwise opposing United States or coalition forces in Afghanistan. Specifically, SIGAR found that, although the Department of Defense (DOD) has established a process to implement section 841 of the National Defense Authorization Act (which permits the DOD to authorize contracting authorities to restrict, terminate, or void a contract with these entities or individuals), weaknesses in the process prevent the department from having reasonable assurance that it is identifying all contracts held by persons or entities determined to be actively supporting the insurgency and opposing U.S. or coalition forces. As a result, millions of United States contracting dollars could be diverted to forces seeking to harm United States military and civilian personnel in Afghanistan and derail the multi-billion dollar reconstruction effort. Further, SIGAR reported that because the section 841 legislation does not apply to other agencies—most notably DOS and USAID—there could be a present or future risk that these two agencies could have active prime or subcontracts with those designated by DOD under section 841.

Therefore, some questions that might be proposed are:

—Do DOS and USAID have a clearly articulated understanding of how their reconstruction programs and projects relate to the United States Government's overarching goals in Afghanistan?

—Will DOS and USAID commit to restricting, terminating, or voiding any contracts, grants, or cooperative agreements to individuals or entities that have been designated under section 841?

Do the Afghans Want the Project or Program and Need it?

Best practice in offering assistance should include determining that the intended recipient actually wants and needs the project. SIGAR has not always found that to be the case in Afghanistan. For example, today SIGAR is issuing a report warning of poor project management that includes purchases that the Afghan Government did not want for its national power utility, Da Afghanistan Breshna Sherkat (DABS).⁵ Specifically, SIGAR determined that USAID wasted nearly \$700,000 to implement a billing system in Kandahar that the Afghan Government did not want. Although USAID required its contractor to implement a billing system in Kandahar

⁴SIGAR Audit 12-8, USAID Spent Almost \$400 Million on an Afghan Stabilization Project despite Uncertain Results, but Has Taken Steps to Better Assess Similar Efforts, April 25, 2012.

⁵SIGAR Audit 13-7, Afghanistan's National Power Utility: Commercialization Efforts Challenged by Expiring Subsidy and Poor USFOR-A and USAID Project Management, April 18, 2013.

that was consistent and coordinated with systems in Kabul, USAID did not enforce these contractual requirements, allowing a different system to be installed in Kandahar that was later deemed a failure by USAID and DABS.

Questions for consideration include the following:

- How does DOS and USAID ensure that the Afghan Government wants and needs each United States funded program or project funded?
- Has DOS or USAID terminated any planned or ongoing programs or projects because the Afghan Government did not want or need them and, if so, which ones?

Has the Program or Project Been Coordinated With Other United States Implementing Agencies, With the Afghan Government, and With Other International Donors?

In 2011, SIGAR conducted a thorough assessment of United States efforts to strengthen the financial sector in Afghanistan and to safeguard United States funds as they flow through the Afghan economy.⁶ SIGAR found that, even though DOD and the Department of Homeland Security (DHS) were working with the same commercial banks to strengthen controls over funds held in those banks, neither agency was aware of the other's efforts. In addition, DHS had not been included in an important interagency working group designed to coordinate efforts to gain visibility over cash flows. As SIGAR reported, limited interagency coordination puts U.S. agencies at risk of working at cross purposes or, at a minimum, missing opportunities to leverage existing relationships and programs. To help leverage limited resources and expertise and avoid duplication of agency efforts on financial sector issues, SIGAR recommended that the United States Ambassador to Afghanistan instruct the members of an Embassy Financial Sector Working Group to develop an interagency strategy to coordinate efforts to work with Afghan banks. In March 2012, SIGAR received a letter from the Embassy stating that, although U.S. Government officials regularly meet internally and with other donors, the working group no longer exists⁷ and a formal written strategy has not been developed.

Possible related questions for DOS and USAID include:

- Do DOS and USAID have a centralized database of all reconstruction programs and projects funded by the U.S. Government and the international community to ensure coordination of these efforts and prevent duplication?
- What policies and procedures does DOS and USAID have in place to strengthen inter-agency and inter-governmental coordination for reconstruction?

Do Security Conditions Permit Effective Implementation and Oversight?

Poor security poses a major challenge to every aspect of the reconstruction effort—from executing programs to providing oversight. SIGAR remains particularly concerned about two aspects of security relating to development projects.

- Because of the dangerous environment, contractors and nonprofit organizations must rely more and more on private security services. But, as of a year ago, they have been required by Afghan law to contract with the government-run Afghan Public Protection Force (APPF) instead of private security companies. Last year, a SIGAR audit of the transfer of security services of USAID-funded projects to the APPF found that the cost of security services could increase because of the APPF fee structure.⁸ SIGAR has an ongoing second audit to identify the cost of security services for selected USAID projects and determine the impact of the APPF transition on reconstruction projects.
- As U.S. and coalition forces withdraw, it will become steadily more difficult for both the implementing and oversight agencies to monitor projects. With the military drawdown and transition to the Afghan security forces, it has already become harder for implementing agencies to effectively manage projects and for oversight agencies such as SIGAR to visit and inspect projects. This is because United States forces in Afghanistan have a policy of only providing security in areas within an hour by road or air travel of a medical facility. For example, recently SIGAR was unable to visit \$72 million in infrastructure projects in Northern Afghanistan because they are located outside the security “bubble”. This will only get worse as more bases close or are handed over to Afghan units that lack medical-evacuation capability.

⁶SIGAR Audit 11–13, Limited Interagency Coordination and Insufficient Controls over U.S. Funds in Afghanistan Hamper U.S. Efforts to Develop the Afghan Financial Sector and Safeguard U.S. Cash, July 20, 2011.

⁷The group's last meeting was held on September 25, 2011.

⁸SIGAR Audit 12–10, Increases in Security Costs Are Likely under the Afghan Public Protection Force; USAID Needs to Monitor Costs and Ensure Unlicensed Security Providers Are Not Used, June 29, 2012.

SIGAR is examining ways to continue providing vigorous oversight in this evolving security environment, including expanding the use of satellite imagery and hiring Afghans or other third-country nationals to conduct site visits. SIGAR also recently initiated an audit of the United States Government's plans for transferring reconstruction efforts to the Afghan Government as the end of 2014 approaches. This audit will closely examine how DOS and USAID are assessing and planning for the likely impact of security conditions on their ability to oversee reconstruction projects post-2014.

Therefore, the following questions might be posed:

- Do DOS and USAID have plans in place that carefully consider whether security conditions will permit adequate levels of management and oversight for individual reconstruction programs and projects and what are those plans?
- Are DOS and USAID prepared to terminate planned programs and projects if they cannot effectively manage and oversee them, due to security constraints?

Do Reconstruction Projects Include Adequate Safeguards To Detect, Deter, and Mitigate Corruption?

Corruption threatens the entire reconstruction effort in Afghanistan. It siphons funds away from vital programs, undermines the rule of law, and reduces popular support for the Afghan Government. For this reason, SIGAR has conducted a number of audits that assessed Afghanistan's anti-corruption bodies, has evaluated efforts to monitor bulk cash flows through the Kabul International Airport, and has deployed investigators to field offices in six locations in Afghanistan to identify individuals engaged in bribery and extortion. SIGAR's audit work has highlighted serious shortcomings in Afghan capacity and lack of political will to combat corruption.

More than 2 years ago, SIGAR recommended that the United States develop an integrated anti-corruption strategy.⁹ Although the U.S. Embassy in Kabul produced a draft strategy, it was not adopted. SIGAR's Office of Special Projects is now conducting a review to evaluate the current U.S. anti-corruption strategy and its implementation, and the progress the United States has made in meeting its anti-corruption goals in Afghanistan. In addition, SIGAR's Audit and Inspection Directorate is currently reviewing a major State Department rule of law program.

Possible questions include:

- Has the United States Embassy made any progress in developing a comprehensive United States Government anti-corruption strategy for the reconstruction effort in Afghanistan and, if so, when will this strategy be released?
- If it has not developed a strategy, what are the reasons for failing to do so?

Do the Afghans Have the Financial Resources, Technical Capacity, and Political Will To Sustain the Reconstruction Program or Project?

Through its audit and inspection work, SIGAR has identified numerous examples in which the United States created a program or built a facility without consideration as to whether the Afghan Government could sustain it.

In a 2010 audit of reconstruction in Nangarhar, Afghanistan, for example, SIGAR found that the Afghan Government was severely limited in its ability to operate and maintain United States completed development projects in that province.¹⁰ (Nangarhar had received more than \$112 million in development assistance from DOS, USAID, and the DOD.) As a result, SIGAR identified many projects that had become dilapidated or were in disrepair.

In an upcoming audit report on hospitals and health services in Afghanistan, SIGAR will again illustrate the negative consequences that can occur when the cost of sustainability is not taken into consideration.

SIGAR was among the first to highlight the sustainability risk to the reconstruction effort. The United States is building infrastructure and launching programs that the Afghan Government has neither the financial nor technical ability to operate and maintain. In fiscal year 2011, the most recent year for which the World Bank has complete data, Afghanistan's budget included about \$335 million—or 10 percent of its core expenditures—for operation and maintenance (O&M). But, as the United States and other donors transfer these assets to the Afghans, future requirements are expected to rise to \$4.8 billion for total civilian and security O&M.¹¹ The

⁹ SIGAR Audit 10–15, U.S. Reconstruction Efforts in Afghanistan Would Benefit from a Finalized Comprehensive U.S. Anti-Corruption Strategy, August 5, 2010.

¹⁰ SIGAR Audit 11–01, Weaknesses in Reporting and Coordination of Development Assistance and Lack of Provincial Capacity Pose Risks to U.S. Strategy in Nangarhar Province, October 26, 2010.

¹¹ The World Bank, *Afghanistan in Transition: Looking Beyond 2014*, 2013, p. 6.

shortfall is expected to grow to \$70 billion during the transformation decade of 2015–2024, with the U.S. Government likely to shoulder a large part of that burden.

Questions that might be posed regarding sustainability include:

- Which programs and projects funded by DOS and USAID are least likely to be sustained by the Afghan Government?
- How much of the estimated \$70 billion shortfall is the U.S. Government committed to providing during the period of 2015–2024?

Have Implementing Agencies Established Real Metrics for Measuring Success? And, if so, Are They Applying Them to These Programs?

Too often, SIGAR finds that agencies are focused on outputs, not outcomes. These metrics give part of the picture, but do not truly provide meaningful assessments of whether programs achieved their goals. For example, in 2011, SIGAR assessed efforts to build the capacity of the Afghan Ministry of Agriculture to better serve farmers and promote private sector development. SIGAR found that the U.S. Embassy could not determine how much progress had been made in building ministry capacity, in part because it largely measured the products of capacity-building efforts (such as the number of national research stations and labs built or rehabilitated), rather than the results achieved by their construction.

Therefore, questions for consideration are:

- Why have DOS and USAID-funded reconstruction programs and projects in Afghanistan predominantly focused on using output, rather than outcome measures?
- What assurance do DOS and USAID have that their reconstruction programs and projects have been effective, given the overwhelming absence of outcome metrics?

SPECIAL INSPECTOR GENERAL FOR AFGHANISTAN RECONSTRUCTION'S PROPOSAL FOR REDUCING WASTE, IMPROVING EFFICIENCIES, AND ACHIEVING SAVINGS IN UNITED STATES RECONSTRUCTION OF AFGHANISTAN

Organizations like the U.S.-led International Security Assistance Force, DOS, and USAID are posing similar questions in their reviews of programs and projects during the security-transition period. That is a good thing, because the Congress and executive branch agencies have a unique opportunity to conduct a strategic reexamination of reconstruction issues as the transition accelerates between now and 2015. That reexamination might reaffirm existing DOS and USAID plans, or lead to postponed, reduced, cancelled, reinforced, redesigned, or repurposed projects. To the extent such analysis and action produce projects more likely to function and succeed in post-2014 Afghanistan, they can deliver real benefits to United States military and civilian personnel, American taxpayers, the Afghan people, and United States national interests.

SIGAR believes the seven questions outlined previously should serve as a basis for this project-by-project analysis and strategic review. To the extent that agencies can answer these seven questions in the affirmative, SIGAR believes that a project or program has a better chance of reducing waste, improving efficiencies, and achieving savings.

For example, SIGAR recently issued an inspection report on a medical clinic in Kabul province.¹² This project demonstrates the good that can come when a project is well planned, well executed, and effectively coordinated with the Afghan Government. SIGAR reported that the local community had supported the clinic's construction, a villager had donated the land, and the facilities are being used daily. Since the clinic opened in September 2011, it has seen more than 1,500 outpatients, 62 prenatal patients, and the birth of 63 newborns. The clinic is also being well sustained, likely due, in part, because the Ministry of Public Health signed an agreement as part of the project approval process to sustain the clinic upon completion. It has fulfilled its commitment to do so. SIGAR's inspection found that the heating system worked, floors were clean, bedding was plentiful and well kept, and the pharmacy was well stocked.

SIGAR will continue to look for success stories like this one and report on them. However, SIGAR will also continue to carefully examine programs and projects that were not as carefully planned out or effective as this one. This oversight is needed to fully inform the Congress and the American public about how their unprecedented investment is being used. But, SIGAR's work is only one way to influence

¹² SIGAR Inspection 13–7, Qala-I Muslim Medical Clinic, Serving the Community Well, But Construction Quality Could Not Be Fully Assessed, April 17, 2013.

agencies to strengthen their reconstruction planning, programming, and management.

Therefore, SIGAR suggests that congressional appropriators, including the appropriators on this subcommittee, require DOS and USAID to answer, in writing, these seven questions before obligating appropriated funds to new programs. If DOS or USAID cannot answer the questions in the affirmative, SIGAR also proposes that they be required to provide a written justification explaining the purpose for proceeding with the obligation of appropriated funds.

SIGAR will also be considering these seven fundamental questions through its audits, investigations, and inspections, and urges others to do the same, because nothing is more wasteful at this critical juncture than an unwarranted project or one that realistically has no chance of success.

CONCLUSION

Over the last decade, the United States has provided enormous sums of money to rebuild Afghanistan. This reconstruction effort is now in transition as United States combat forces withdraw and the Afghan authorities assume responsibility for security. In its fiscal year 2014 budget request, State described this transition period as “perhaps the most critical phase in our engagement in Afghanistan.”¹³ The success of the United States effort in Afghanistan, which includes the most costly rebuilding program for a single nation in United States history, depends to a great degree on United States funds being used wisely, efficiently, and effectively.

Thank you for the opportunity to provide written testimony to assist your oversight of United States funded reconstruction efforts in Afghanistan. SIGAR is happy to answer any questions you have and provide whatever assistance you need to protect U.S. funds from fraud, waste, and abuse.

Senator LEAHY. The budget request is \$500 million less than fiscal year 2013. A lot of that comes from Iraq, Afghanistan and Pakistan, which makes sense. A lot of other programs—Global Health, the Peace Corps—are frozen.

As you look at these things, do people balance the fact that you have China, for example, spending a great deal of money in Africa and elsewhere to get a foothold? Obviously, they are looking at resources, minerals, ports, and so forth.

I know sometimes getting the money from the Congress is difficult. I will hear people here give speeches about the need to counter China’s influence, and then the next day they vote against foreign aid, which is a fraction of 1 percent of our budget.

You also mentioned South Korea, Japan, and you were in China. What is your sense of President Xi? Is he going to be willing to put pressure on North Korea?

Secretary KERRY. Mr. Chairman, I believe that China is very serious about North Korea, very concerned about North Korea. I had a very good meeting with President Xi and another good meeting with President Lee Ki Jun, and I met with the state councilor and the foreign minister, obviously.

China took unprecedented steps to make clear they are committed to the policy of denuclearization. And just the other day after I left, within the Ministry of Foreign Affairs, they actually named North Korea, that lower level, which is the way it happens in China. It sort of begins there. Which is also unusual and specially took them on on not being provocative.

China is the essential country in terms of changing North Korean behavior. They provide vast majority of the fuel, more than 75 percent, to North Korea. They are the principal trading partner.

¹³ Department of State, Executive Budget Summary, Function 150 & Other International Programs, fiscal year 2014, p. 92.

Their banking system facilitates transactions. They provide food aid.

There is no question about the ability of China to have an impact here, and I hope that with the engagement we have now undertaken with them, which will continue. General Martin Dempsey, Chairman of Joint Chiefs of Staff, will be there in a few days. Shortly thereafter, Deputy Secretary Bill Burns will be going back over there.

We are going to stay very focused on building this partnership to change the dynamic with North Korea. We cannot just repeat the past.

Senator LEAHY. I agree. There has been some talk in the Pentagon of weakening the Leahy law. And without sounding parochial, that is a law that prohibits U.S. aid for units of foreign security forces that have committed the worst crimes—torture, summarily executing prisoners, raping and shooting civilians. The Leahy law also, though, allows resumption of aid if the government takes steps to investigate and prosecute those involved.

Now some in the Pentagon say, okay, we have got these terrible units. They have been committing these crimes. But we should resume aid to them anyway because if they know we love them and give them money, they will improve.

I think that puts the cart before the horse. The Leahy law has had a lot of Democratic and Republican support. Does the State Department have a view on this?

Secretary KERRY. We do, Mr. Chairman. There is no discussion in the State Department about moving away from or not adhering to the Leahy law. I think it has been salutary, constructive, and we remain deeply committed to a thorough implementation of it.

Senator LEAHY. I recall a former chairman of the Senate Foreign Relations who was a strong supporter of it as it came through here.

Secretary KERRY. You recall correctly.

Senator LEAHY. He was right, too.

In 2002, President George W. Bush announced the United States would rejoin the United Nations Educational, Scientific and Cultural Organization (UNESCO), as a symbol of our commitment to human dignity. But there were two laws passed in the 1990s that prohibited a U.S. contribution to any U.N. agency if the Palestinian Liberation organization (PLO) becomes a member.

The PLO became a member of UNESCO. We cut off our contribution. And so, now we have a case where we shot ourselves in the foot. The Palestinians are members, but we diminished our influence, which used to be significant in UNESCO, an organization that, among other things, would try to get textbooks to teach both girls and boys in schools around the world.

What do we do about this? I mean, is the administration willing to push for a waiver of those laws?

Secretary KERRY. More than that, Mr. Chairman. We hope that you will all join together and change the law. And we—the President has put money in the budget for UNESCO based on the notion that we believe this is very, very self-defeating.

You have just made the argument. We write ourselves out of the very place that we can fight for change and, frankly, stand up and defend Israel. Israel is assaulted by these initiatives, and we are

not there to be able to make the argument for the other side. So we actually take ourselves out of the battlefield and wind up less capable of representing our interests.

So I think you have made the argument. I hope—I think it was well-intended. It just doesn't work. It has bad consequences for us, and I hope we can change it.

Senator LEAHY. Thank you very much.

I will yield to Senator Johanns, who is the first Republican on this side and then go to Senator Harkin. But I wonder, Senator Harkin, if you would yield to Senator Mikulski first?

Senator HARKIN. Sure.

Senator LEAHY. Senator Johanns.

Thank you.

Chairwoman MIKULSKI. Mr. Chairman, after Senator Johanns, with the indulgence of Senator Harkin, I would just like to say a few words because I have to get to the Military Construction and Veterans Affairs Subcommittee hearing.

Senator LEAHY. Of course.

Chairwoman MIKULSKI. Senator Johanns, Sir.

Senator JOHANNNS. I would yield. That is no problem at all.

Senator LEAHY. And I should also note for the schedule that at some point for the personal reason I mentioned to Senator Kerry, I am going to be stepping out, and Senator Harkin is going to take the chair.

Secretary KERRY. I see that the same Senate wisdom prevails as when I was here that the chairwoman—you better yield.

Senator LEAHY. I don't want her to kick me out of my President pro tempore office.

STATEMENT OF CHAIRWOMAN BARBARA A. MIKULSKI

Chairwoman MIKULSKI. Mr. Secretary, it is good to see you, and I know it is great that you are here with us today. I know your heart is in Boston. You might be the President's choice to be Secretary of State, and you travel the world in our interests. But I know you are here at your duty station working on our budget when you wanted to be alongside the President in Boston.

And deep in your heart, you are a Massachusetts man, and our condolences go to you—

Secretary KERRY. Thank you.

Chairwoman MIKULSKI [continuing]. As we do with all the others.

Mr. Secretary, I just wanted to be here in my role as the full committee chairwoman to say that you have a great chairman in Senator Leahy and also in his ranking member. And really, when Senator Inouye passed away, it was Senator Leahy that stepped in.

And really during Hurricane Sandy, as we were working on the budget process, actually put money in—tried to move an amendment to put in for Embassy security and particularly for the Benghazi situation. So Senator Leahy really did a fantastic job as being a bridge until I was officially appointed and really was an advocate.

We are going to mark up at the \$1.05 trillion level, as mandated by the law. We know that we have a discrepancy with the House, and we hope to resolve that. We hope Mr. Ryan will appoint con-

ferrees so there can be a regular order to the budget process. But we intend to move in a regular order here.

I want to work with Senator Leahy and the subcommittee on the bipartisan basis that this subcommittee has had and to move our—continue our smart power presence in the world.

Mr. Secretary, I am really concerned about Embassy security, and I want to continue the momentum that was begun. Much was said about Benghazi. Much will continue to be said about Benghazi. But I understand the President has put in \$2.4 billion for Embassy security construction and maintenance, also \$1.6 billion for the Diplomatic and Consular Programs.

These are our men and women who serve the Nation around the world that we have to owe a debt of gratitude. And it is an area that I know of great interest to you. So we want to do everything we can to protect them as they advance America's interests.

We have been deeply concerned, going back to the Khobar Towers when our consul Mr. Bartley died with his son. Now Ambassador Stevens. Most recently, the death of Anne Smedinghoff in Afghanistan, someone who you met with.

So my whole point is we want to work to protect those who are advancing our interests. We also have an issue of compensation for our State Department people who die at their duty station, who are actually on the job, like Ambassador Stevens, like Ambassador Bartley, like Anne, who were doing their job.

We began that with Secretary Clinton. We would like to continue with that. We were working with Under Secretary Kennedy. If we could work on that, I would really appreciate it.

I don't want to take the indulgence anymore. We want to work together. You have got a good group here, and we are glad to see you. It is just odd to see you on the other side of the table.

Secretary KERRY. Madam Chairwoman, not as odd as it feels for me, but that is all right.

Thank you. And can I say to you that I am really—I can't tell you how happy I am to be working with you and with Chairman Leahy because I know what a passionate and committed person you are with respect to these issues. And I just—I look forward to having a great partnership.

Chairwoman MIKULSKI. Can we have Under Secretary Kennedy work with us on the compensation issue?

Secretary KERRY. Who?

Chairwoman MIKULSKI. Under Secretary Kennedy?

Secretary KERRY. Oh, Under Secretary Kennedy. Absolutely. Absolutely.

Chairwoman MIKULSKI. That is who we really began a rather meticulous look at this issue.

Secretary KERRY. I think it is terrific, and we need to finish up on that, and we will work for sure. Thank you.

And thanks for your comments about Boston.

Chairwoman MIKULSKI. Thank you, Senator Johanns.

Senator LEAHY. Thank you.

Senator JOHANNNS. Mr. Chairman, thank you.

And Mr. Secretary, good to see you again. You are off to a fast start. I watch your travels all over the world, and we appreciate your work.

Let me, if I might, offer a thought or two about food aid, a recommendation or proposal that is being made in this budget. But let me, if I could, start with just the concept of food aid itself.

As you know, food aid comes from a lot of different sources in the current budget. State Department is involved. United States Agency for International Development (USAID) is involved. The Department of Agriculture is involved.

So much of what we do around the world, whether it is the Global Fund or the President's Emergency Plan for AIDS Relief (PEPFAR), the success of those programs depends on nutrition. You know, you could ask any doctor how well will the AIDS drugs work that we distribute through PEPFAR if a person doesn't have adequate nutrition, and they will say the effectiveness is dramatically reduced.

I just—I can cut budgets with the best of them. I have been doing it for a lot of years, starting as county commissioner. But I feel very, very strongly about this, that this subcommittee should adopt a notion, a bipartisan notion that when it comes to food aid, foreign food assistance, we are just simply going to protect that in budgets. It is not a lot of money.

And the other thing I would say about it is you can build such strong bipartisan support for it. Farmers appreciate it. Obviously, it has positive impact for them.

And so, as one member of this subcommittee, a brand-new member, I would just like to put a marker out there saying when it comes to food aid, we should empower our leadership on this subcommittee to work with you, to work with Tom Vilsack, to work with President Obama on not cutting foreign food assistance. I think it is that important.

The second thing I wanted to say relates to a proposal you are making and, my goodness, did red flags go up when I see this proposal. When I was Secretary of Agriculture, I proposed that the USDA use up to 25 percent of title II Food for Peace funds for providing cash assistance. The thought being, you know, from time to time, we are faced with emergencies in the international community where people are dying, where literally the issue is what child do you save?

And the issue of getting food to that location just as fast as you can means life or death. Children, people live or die depending upon how quickly we can get them assistance.

Secretary KERRY. Absolutely.

Senator JOHANNIS. Now I am going to be one that will argue over and over again let us try to do everything we can to promote U.S. agriculture. I was the Secretary of Agriculture. But I feel strongly we can't ignore these emergencies.

Now what is the right combination here? I don't know. The proposal that is in this budget is very controversial, as you know. It basically says the budget will shift title II Food for Peace jurisdiction from the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies appropriations subcommittee to USAID accounts under the jurisdiction of State, Foreign Operations, and Related Programs Subcommittee, to us. And so, it transferred \$1.4 billion to international disaster assistance, development assistance, et cetera.

I would just respectfully suggest, and I would like your thoughts on this, I don't think that is going to get done. I think if the President put full time behind that he couldn't get it done.

It is controversial with aid groups out there. It is controversial with agriculture. It is probably, in a very bipartisan way, controversial here.

Tell me what you are trying to accomplish there. What are you hoping to achieve there? And I guess what I am really asking, is there a better way of going about this than what is being proposed here? Because I don't think this is going to happen, to be very blunt with you.

That is kind of a long preliminary statement and long question, but take it from there.

Secretary KERRY. Well, no, it is good. Senator, I completely understand where the resistance is, and I respect what you say about it not happening conceivably. But you also actually articulated the very reasons for doing it.

When you talked about emergency and trying to get aid to people quickly, we actually are going to be able under this program to serve people 11 to 15 weeks sooner because we are creating the capacity to be able to buy locally some of the emergency food and not be hamstrung to only take the commodities from here and use American shipping getting over.

So we actually calculate that we will be able to give food to 2 to 4 million people more and serve malnutrition—folks who are suffering from malnutrition, who need immediate help, 11 to 15 weeks sooner, which in malnutrition, at that grievous stage, is the difference between life and death. And save money because we will do it for less.

Now I think when you say that is not going to happen around here, I hope it is not because we can't reform something to actually deliver more, faster, more effectively, for less money for the American taxpayer because we are stuck having to subsidize something that doesn't need a subsidy.

Now I am for American farmers. I could not have been more up close and personal to American farmers than in 2003 and 2004 when I was running around Iowa and Nebraska and various places, and I got to know a lot of farmers. I was out there with Senator Harkin, and I respect what we have to do.

But we have been reforming the farm program, too. Because we know we are putting money into great big subsidies that go to people who don't necessarily need them right now. The American farmer, by and large, is at this moment doing very well. I think is going to do even better.

And the reason they are going to do even better and shouldn't be threatened by this, I mean, we are talking about such a tiny percentage here. The entire budget of everything we do in foreign affairs, everything—embassies, consulates, aid, foreign military assistance, you name it—is one penny on the American taxpayer dollar. One penny. That is everything.

This is a fraction of that penny, a fraction. And it is not the differential with respect to success for the American farmer. The better differential is going to be defined through the Transatlantic Trade Investment Partnership (TTIP); the Trans-Pacific Partner-

ship (TPP); and that is where we are going to open up the capacity for our farmers to sell a lot more and make a lot more money.

So I would respectfully ask you to reserve the judgment as to whether or not we accomplished the goals you wanted in this. We are still going to have more than 50 percent—I think it is about 55 percent of the food will be purchased by requirement from American farmers and shipped on American ships.

Senator JOHANNIS. Mr. Secretary, I am out of time. With the indulgence of the chairman, I just want to offer a thought.

I have traveled this road, made a proposal myself, very—wasn't able to accomplish that. I do think that there is a balance that can be reached here, and maybe you feel strongly that you have reached that balance or proposed that balance.

But if you could send somebody from the State Department my way, I would love to have a conversation about how to deal with this issue. Because the——

Secretary KERRY. Absolutely. Of course, we will do that. Look, I understand if you folks don't sign off on this, it is not happening. So, of course, we are going to work with you.

And if you have a better way of doing it or you can show us how we could accomplish these goals, that is exactly what we want to do. And I will have somebody up to your office, with your consent, next week to do it.

Senator JOHANNIS. Great. I will be there.

Secretary KERRY. Thanks.

Senator JOHANNIS. Thanks.

Senator HARKIN [presiding]. Senator Landrieu.

Senator LANDRIEU. Welcome.

Secretary KERRY. Good to see you again. How are you?

Senator LANDRIEU. Mr. Secretary, good to see you. Wonderful.

And again, our condolences for Boston and Massachusetts, and your elected officials and others handled it beautifully. And hopefully, we will find the perpetrator. I am sure we will.

Let me just be as specific as I can about a small issue, but it is an important issue, as you know, because I have been leading on this issue for several years in the Congress. But as you know, Mr. Secretary, I have many colleagues on both sides of the aisle that feel strongly about a key American value, and that is that children belong in families.

And the shame of having millions and millions of orphans in this world and unparented children sometimes found in institutions in horrible circumstances or on the streets, which you undoubtedly have witnessed in your travels. And the shame of seeing international adoptions to the United States decline precipitously over the last several years from 20,000 to 9,000 is a 60-percent decrease.

I know, because you have sent—when you were a Senator—staff with us on some of these visits, and you, as a Senator, were so supportive of the idea that children should belong in families. Have you had any chance to give some thought to why this might be occurring? What the State Department could do, as the central agency basically in charge of this, to turn this situation around?

One Department official was recently heard as saying there is no right number of international adoptions. Some people heard that as

implying there is no problem with the declining number, and that zero would be acceptable. I don't think that is your position.

But do you feel that allowing international adoptions to continue to dwindle is an accurate implementation of U.S. policy or the wishes of the American people? And would you characterize the Department of State's role as the central authority as having been successful?

And if not successful, what might you begin to do to change that?

Secretary KERRY. Well, Senator Landrieu, let me begin by, first of all, paying tribute to your incredible focus on this issue. I mean, all the years that I was here serving with you, you have been the leader in the United States Senate, in the country, and I really appreciate what you have done and was happy to have people join with you in this effort. And we will work with you very, very closely on this.

I have already raised this issue with Foreign Minister Lavrov. We have talked about it several times, actually. And I have agreed with him to try to do certain things to see if we can't try to break the impasse with the Russians, where there are just some families' hearts are being broken who were all prepared to receive children, and that has stopped.

And they are very concerned because, as you know, there have been a number of children from Russia—I think it is about 27 total or something—who have died in their families. And there is evidence in some cases, or at least questions in some cases about what may have happened.

This is a big issue in Russia. They are very concerned about it, and the press is very focused on it, and we need to work through it. And I have ideas about how to do that.

With respect to all the other countries, I can't tell you. We need to get an analysis, and I will work with you to get an understanding. I think it is different reasons in different countries.

But the United States has a record of bringing extraordinary numbers of children here to families and to great lives. And I think in the case of Russia, for instance, I think I saw we were looking through it to try to analyze this. I think about 60,000 kids total from Russia, of whom 27. Now one is too many. You can't say only 27. You just can't.

But I don't know with respect to every other country why that number has dwindled. The answer to your question directly is, no, it should not be our policy to allow it to dwindle. And yes, the United States ought to work proactively to try to increase opportunities for these children.

Senator LANDRIEU. Well, thank you.

And let me follow up with you may be aware of a very exciting initiative that happened just before you took office that several agencies led, and Senator Harkin was supportive of this. It is called the National Action Plan for Children in Adversity.

And it is the first time in the history of the United States that the departments have tried to coordinate their efforts for the spending of billions of dollars in silos, basically pooling some coordination effort. The hope is to pool some coordinate effort to really at least item two of this plan suggests that children should be ministered to or serviced or helped in the context of a family.

And this action plan, you know, President Reagan said the family has always been a cornerstone of American society. President Obama recently said, "Of all the rocks on which we build our lives, we are reminded today that family is most important."

So the National Action Plan on Children, specifically in objective two, represents a unique opportunity for this department to promote the value that Americans place on families. Are you familiar with this plan? If not, would you commit to become familiar with it to use this as a basis of reform in this effort of trying to provide services to keep children in families, reunite them when they are separated, and find a domestic or international family for them when they need one?

Secretary KERRY. I am familiar with it. I am not well—I mean, I am not deeply versed in it. But I know of it, and I am familiar with it, and I think it is a good template.

I think what we need to do, Senator Landrieu, and what I would like to do is ask if we could arrange a meeting with our sort of top folks on this and really lay out an agenda going forward and talk about how we can address this. We should set high standards on it, and I would like to make sure we do.

Senator LANDRIEU. Thank you.

Secretary KERRY. And you know those as well as anybody.

Senator LANDRIEU. Thank you. I appreciate that commitment.

Thank you so much.

Secretary KERRY. Sure.

Senator HARKIN. Thank you, Senator Landrieu.

Senator Coats.

Senator COATS. Mr. Chairman, thank you.

Mr. Secretary, those of us who have served with you and known you knew that you would throw yourself into the job. And throwing yourself into the job is probably a challenge as great as it has ever been for any Secretary of State.

I saw how much Secretary Clinton had to throw herself into the job. Director Clapper told me, he said, "In my 40 years of intelligence work, I have never seen such a multitude of hot spots and trouble spots around the world that we have to address."

So it is almost—I will use the word "almost"—makes you yearn for the simplicity of the Cold War, where we had a line dividing the good guys and the bad guys. That is much harder to do these days.

So we appreciate your taking the baton and carrying right on from Secretary Clinton's efforts because you have thrown yourself into the job. I commend you for that, and we want to support that.

I would like to mention two things. The \$580 million Middle East/North Africa Incentive Fund. Describe a little bit the challenge there of making sure that the funds coming out of State for economic support and other means of support are getting in the right hands.

There is a lot of confusion now about where are those, who are those people? Who deserves this? Who needs to get it? Who can implement it? Who will use our values that we attach to this in terms of democracy and using it for the right purposes?

And second, this involves, obviously, the use of military assets. I hope that is being coordinated so that we get a clear picture of who should get the aid and who shouldn't get the aid.

So I would like you to comment on that, if you would?

Secretary KERRY. Terrific question. And I am really happy to sort of explore that a little bit with you.

The vision that I have, and I think President Obama has articulated previously and has committed himself to in this context of the \$580 million he has put in this budget, is a vision that tries to change the way we are actually providing some of this aid, which is a process that has already begun.

There has already been a fair amount of energy expended to try to figure out better ways of getting a return on the invested dollar and of knowing where it is going and what it is doing and what it is returning.

So there are different challenges in different places. If you look at Libya, Libya has a lot of funds. The challenge is not funding in Libya. The challenge is providing technical assistance and government mentoring, if you will, and helping to build out their legitimate security force. And there, there are ways to spend money very directly where you can have real metrics that show you what you are getting in terms of that investment in both numbers and quality and difference that it is making.

In Tunisia, you have a different sort of package of needs. Small country, a little money goes a long way, and that would have a profound impact on the region in terms of stability. There, and perhaps in Egypt. Egypt is more of a question mark right now.

May I just tell you there are a lot of "ifs" about Egypt at this moment, and we have been working very, very hard with the Egyptian Government to try to bring them to a point where they are prepared to embrace important reforms that are key to the IMF money, to be more inclusive with the opposition, to build out civil society, to live up to their promises regarding democracy. And it is a question mark whether they are going to make the right choices, and I can't frame it any other way for you now.

But one of the things we had contemplated in this kind of fund, and we actually had already engaged in this effort—I went there with Senator McCain as a Senator, and we announced a certain amount of money in this context for the Middle East Investment Initiative, as it was called that time—this is an extension of that—that would have put money directly into a public-private partnership.

And we stood up with the president of Coca-Cola, with Jeff Immelt of GE, and others who want to invest and who want to help create jobs. And the money that we would be putting up would actually help leverage their much larger multimillion-dollar investment and their infrastructure and ability to provide jobs to people, which provide stability.

So the model that we are looking at really here is what do you do when your budget is tighter, when we are not sitting in a position to spend \$100 billion? What we want to do is take this kind of money and work in conjunction with the private sector, U.S. global private sector.

I will give you an example. We just announced an effort that Tony Blair will head up, former Prime Minister Blair, for the West Bank. And he will work together with Muhtar Kent of Coca-Cola and others to try to bring immediate transformational investment to the ground, and we have a number of people—I am not going to go through their names now—signing up to be part of this, large corporate entities that are prepared to invest in the future.

And I think this may be a new sort of model for how we can marry our dollars to efforts that do lend themselves to metrics and to outcome measurement. We don't want to just hand money over to governments, by and large. We are trying not to, but there may be occasions when you have to, to some degree, as a matter of good faith, as a matter of sort of being taken seriously in the overall initiative.

So that is really the way we are modeling it. I think there is a lot of reform that Dr. Rajiv Shah has put in place and is working and fighting to put into place within USAID, and there are good results that we have seen also from the Millennium Challenge Corporation and their metrics and standards. And we are trying to apply a lot more of that to our programs.

Senator COATS. It is encouraging to hear the kind of innovation and creativity that can come when we clearly are squeezed on the fiscal side here, and that is a great concern of mine, and I know people get sick of me talking about it. But if you look at the trend lines relative to mandatory spending and what we have left to spend for national security and for everything that is done through the State Department, the essential functions of Government, not the like to do but can't afford to do. I mean, the things we have to do, that is ever shrinking.

And we are going to need innovative thinking. We are also going to need for all of us—Republicans, Democrats—to address this ever-shrinking discretionary pot of money we have for essential functions of the Federal Government. And I hope that it is being discussed within the executive branch. I am sure it is.

We discuss it here, but we need to get behind discussion and get it done.

Secretary KERRY. Well—

Senator COATS. That penny out of the dollar is going to shrink to a fraction of a penny out of a dollar just by the reality of where we are going over the next 10 years unless we do something.

Secretary KERRY. Well, you said the magic words, Senator. Three words, "Unless we do something." I have to tell you, as a veteran of the Super Committee, I thought we—look, I am not in politics now. So I want to be careful here.

But I just will say to you that I think there is a solution. The solution is to not allow it to keep shrinking, and there is a way to do that.

Senator COATS. There is.

Secretary KERRY. There are some choices, and I think you know that. And I am convinced that if the Congress can come together, maybe that will happen in the course of next year.

I will tell you, as a matter of foreign policy and negotiation and leverage, pretty important for the U.S. Congress to make these choices because people are judging us.

And when I sit with President Morsi, and I say to him, "Mr. President, you have really got to do the IMF. You have got to get your economy, da-da-da-da." I can just see from the expression on his face, he is looking at me and saying, "How is your budget going?" You just feel it.

Hillary, Secretary Clinton told me the same thing. She would sometimes overtly have people push back and say, "Well, who are you to tell us?" So I hope—I hope we will see those things happen because I think it will profoundly affect these choices in a very positive way.

Senator COATS. Thank you.

Mr. Chairman, thank you.

Senator HARKIN. Thank you, Senator Coats.

Mr. Secretary, let me join with those in saying thank you very much for taking on this tremendous task. Those of us who have known you and served with you all these years in the Senate know that you have a tremendous grasp of the world situation. You have devoted your life to looking at how the United States maintains its leadership position in the world.

I can't think of a better person suited to be Secretary of State during these pretty important and kind of confusing times than you, and I mean that sincerely. I know it is a tough job. I get tired just reading about where he goes.

Senator HARKIN. I don't know how you ever get time to get to sleep. So I just want to thank you for that and thank you for your vision and your great leadership of the State Department.

I am not going to get into China and all those other things. Those are big things. You can handle all that.

I also want to thank you for your tremendous leadership on many issues in the Foreign Relations Committee when you were here. One issue in particular, that is of importance to me is the Convention on the Rights of Persons with Disabilities. I just can't thank you enough for reporting it out favorably from the Committee and getting it to the floor.

I know we considered it on the floor in December. We fell 5 votes short, but we had 61 votes. We had some good bipartisan support.

I know you have been meeting with Senator Menendez, your successor on the Committee, and I have, too. We are working, and I hope that we will be able to consider the convention sometime by this summer. I am pretty sure we will have the votes to get it over the finish line.

I think it is just critical, and I know you agree that we become a part of this convention so that we have a seat on the table. As you know, and as we have said so many times, we are the leaders in the world on disability rights. If we want to be a shining city on a hill, this is one area where we can be and where we can help the rest of the world, and that is in disability policy, supports, services, integration, and accessibility.

So, in anticipation of the fact that we are going to ratify this, Mr. Secretary, I hope that the State Department will have a kind of a focused initiative to start providing the kind of technical assistance to countries as they seek to learn from our country's decades of experience with disability rights, accessibility, and inclusion.

This is a great opportunity for us. I know you have a lot on your plate, but I hope that you can task someone in your office to begin to think about how we focus this initiative to be a part of that convention, how we take what we have done here and how we start working with other countries.

I can tell you I have already worked with the head of the World Bank on this, Mr. Kim, who, by the way, was raised in Iowa, even though he is Korean. And the World Bank is looking at this, too, in the aspect of when there are natural disasters, when there is an earthquake someplace and they come in with concessional loans for rebuilding, they are already starting the effort to say, well, they will loan the money but the buildings have to be accessible. They have to be of universal design.

Because we know it is more cost-effective to build buildings and roads they are accessible at the beginning of the process.

I repeat these issues, Mr. Secretary, because you are well aware of all this and any thoughts you might have on getting the State Department focused on being a part of that convention and helping other countries.

Secretary KERRY. Well, Mr. Chairman, let me begin by saying that in the 28 years I was privileged to serve as a Senator, one of the most significant pieces of legislation passed here was your doing, was the Americans With Disabilities Act. And you set the standard.

And I think such a profound impact across the country in buildings, in life, in schools, in so many ways, just changed life in America. So I salute you for that, and I will tell you right now we have people. They are ready.

We have the Department. We have the personnel. They are waiting and raring to go. And we are ready to work with you at any point in time.

With respect to the ratification process, we also stand ready to help if there is a—if there is a reservation or a—

Senator HARKIN. Question or reservation, yes.

Secretary KERRY. Something that we need to define in order to help get it over the line, we are prepared to help define that to address some of the concerns people expressed, even though I don't agree that the concerns were there.

But sometimes people need something to reassure them. We are prepared to define those and help you with the language and do so.

Senator HARKIN. I appreciate that.

Secretary KERRY. The bottom line I want to emphasize is that this treaty is one of the rarest treaties I have seen in that it requires almost nothing from the United States of America. It is everybody else who has to do something to come up to our standard and make life better for our citizens and theirs in the doing of that.

It is really this should be an easy vote, frankly, and I hope it will be next time. And if we can work to help make it so, we are obviously there.

Senator HARKIN. Well, I appreciate that. I am working with Senator Menendez and Senator McCain as well as Senator Barrasso and others to try to make sure we do have the votes. And if I do run into some questions like that, I hope I can call on somebody on your staff.

Secretary KERRY. Absolutely. Of course.

Senator HARKIN. I won't call on you, but somebody on your staff to help us on that. I really appreciate that very much.

Just a couple of other items. First, I want to say on that issue of food aid you are right on target. The President is on target, and the budget is right. I have been involved in this for 39 years. Chaired the Agriculture, Nutrition, and Forestry Committee through two farm bills.

We do need a balance of that. There is some food aid I know that we should do in terms of food from here, like the Public Law 480 title II. But a lot of times, the fastest way to provide assistance is to allow them to purchase the food locally. This also helps their farmers, helps them grow crops, and become more self-sufficient.

The only other thing I would add to that is Norman Borlaug, who won the Nobel Peace Prize once and whose statue is about ready to be put in the Capitol, led the green revolution. Norman Borlaug once said that if you really want to help farmers in Africa, he said, build roads. He said they know how to grow things. He said they know how to farm, but they can't get it anywhere.

And having traveled throughout Africa and looked at that, he was right on target. We need to provide more assistance in terms of infrastructure and things like that rather than just giving them food.

Third, International Labor Organization (ILO) Convention 182. I was with President Clinton when that was ratified in Geneva in 1999.

I have been working with Congressman Engel specifically, on child labor in one area of Africa, and that is in the cocoa fields. And your Under Secretary Carson has been great on this. He understands it. He knows it.

I would hope that you might ask him about it, what we have been doing in Côte d'Ivoire, and also in Ghana reducing exploitative child labor. We have gotten great support from the Ghanaian Government and the new Government of Côte d'Ivoire because, as you know, they have had a lot of problems there over the last decade.

But the new government and the new first lady in Côte d'Ivoire are very focused on working with us on the issue of child labor in the cocoa fields. I don't need a response from you. I just hope that we can continue to work with you and our Department of Labor on this very important matter.

It is a joint affair, Mr. Secretary, between your Secretariat and our Secretary of Labor joining together, again, with ILO and others on this effort. So I just wanted to bring that to your attention.

Secretary KERRY. Thank you, Mr. Chairman.

Johnnie Carson, I regret to tell you, is retiring, and he did a brilliant job. You are absolutely correct.

Senator HARKIN. I didn't know that.

Secretary KERRY. Yes, he just—he is what you would call spent, I guess. He has put his energy into it.

But we have a superb replacement not yet announced.

Senator HARKIN. Okay.

Secretary KERRY. And I am very excited about the replacement. So I think we are going to be in strong shape. You will be very happy.

Senator HARKIN. I am sorry. I didn't know that. I didn't know Johnnie was leaving.

Secretary KERRY. Yes, Sir. He is actually abroad right now with his family and taking some well earned time to rest. But he has promised me he is not going to—we are going to be able to use him for special missions and other things, and we are lucky to be able to do that. He is a great——

Senator HARKIN. Well, use him for this because he knows this issue really well, and he has been great on this issue.

Secretary KERRY. That is a good idea.

Senator HARKIN. He has been great on this issue.

Just one or two other things. In 2015—shifting from Africa to the Arctic, in 2015, the United States will take chairmanship of the Arctic Council for the first time. I asked for a list of the countries—Canada, Denmark, Iceland, Finland, Russia, United States, Greenland, Norway, Sweden. So we are taking—we are going to be chair in 2015.

I have been having some recent meetings with someone you know, President Grimsson from Iceland. And some of the things that I have heard from him are unsettling, that he is getting more high-level delegations meeting with him regarding the Arctic area from China and Russia and other countries that he is not getting from the United States.

Not that he needs, but he just wanted us to know that other countries are really looking at that whole area of the Arctic. Also that China is building more new big icebreakers, and we only have one. The Coast Guard has one. Because they want to extend the time when they can transport goods on these huge ships over the Arctic Circle.

As you know, through the summer months, they can extend it with these big icebreakers. So they are going to get more and more of the traffic through there.

Third, that Greenland is going to be one of the great sources of minerals in the future. And unfortunately, President Grimsson was getting the impression the United States is really not paying much attention to the Arctic, and I hope that at some point you might have our Ambassador meet with President Grimsson or you might be able to meet with him on this issue. You know him. You have known him for a long time.

Secretary KERRY. Yes. No, absolutely. We are going to do better than that, actually, Mr. Chairman. I am going to the Arctic Council meeting in May, the 15th, in Sweden.

Senator HARKIN. Oh, yes.

Secretary KERRY. I will be there, and——

Senator HARKIN. Well, that is great news.

Secretary KERRY. But also, to her credit, Secretary Clinton went, too, and she paid attention this.

Senator HARKIN. She did. She was the first one to go.

Secretary KERRY. I think it is beyond critical to us. Just in my meetings in Asia, each of those countries you just mentioned, the reason China and these other countries are knocking on the door

is they all want to be observer. They all want to get observer status in the council because the only countries that are formally in the council are countries that border on the Arctic. You have to be an Arctic nation.

We have, unfortunately, not been active enough in the climate change component of this and what is going to happen. But the Russians and Chinese, this is one of the reasons why I fought so hard to get the Law of the Sea passed, and I still believe our colleagues here need to take a look at it.

Because the Russians and the Chinese have huge expeditions up in the Arctic mapping the sea floor for exploitation, and the only way you can guarantee your rights under the law for whatever claim you stake which is connected to your extended economic zone is through the Law of the Sea. We alone are not partners to it.

China signed up. Russia signed up. All these other countries have. And so, our companies that want to do mineral exploration under the ocean, like Lockheed Martin and some others, our communications companies that want to protect their cables that run under the sea—AT&T, Verizon, 3M—all these folks want to join the Law of the Sea, as well as our major oil and gas companies, all of those explorations.

So right now, the Chinese and the Russians are laying the map, staking the claim, getting a head start on this sort of reservation on the resources of the future. And we are sitting around.

Rare earth minerals is another component. Lockheed Martin would like to do—I think it is Lockheed Martin that does the—yes, it is Lockheed Martin that does the exploration for rare earth minerals. Right now, today, there isn't a cell phone in our Nation, there isn't a communications piece of equipment, missile control system that doesn't have rare earth minerals in that system.

China controls 90 percent of the market. Now anybody who thinks that is good for America's national security has a strange sense of how we protect our interests.

The way to protect our interests—by the way, we have awaiting us the largest coastline extended zone of any nation on the planet, and we extend out through the Aleutians. We extend out into the Marianas, into Hawaii, and of course Guam. So we are sitting here with more available to us, and we are not party to the process.

So a seat is reserved for us on the governing board, and we have what amounts to essentially a veto over the expenditure of money. This was negotiated, incidentally, by Ronald Reagan.

So I didn't expect to talk about it here today, but I am telling you this is critical to our interests, and I hope we could again persuade colleagues here of what is in our economic interests. Chamber of Commerce supports it. Major industries support it. The military supports it. All the former naval—Chiefs of Naval Operations and so forth.

You know, it is one of those things I hope we can get through.

Senator HARKIN. Well, I know you have been—since we first came to the Senate together in the 1980s, I know you have been working hard on that. I have not been a big player in that, but I am amazed, like you, that we have not been able to pass and become a signatory to the Law of the Sea.

Thank you, Mr. Secretary.

Secretary KERRY. Thank you very much.

Senator HARKIN. Thanks.

Senator Graham.

Senator GRAHAM. I would yield to Senator Landrieu. I think she has to go, right?

Senator LANDRIEU. Thank you very much. I am on a tight time-frame, and I really appreciate it.

I just have one brief comment and then one final question, and then I will turn back the mike.

Secretary Kerry, if you continue to press Guatemala and Russia, we mentioned that, for intercountry adoption, we still have about 112 cases of transition cases in Guatemala and about 300 and so cases of Russia adoptions where they had been matched. Parents and children had been matched.

These are not all infants. In some cases, these children were old enough to understand that their parents from the United States were getting ready to pick them up, and now that has been put on indefinite.

I have said to the Russians, if you are angry with us, conduct some action that shows that. Don't take it out on your own children. But that is what they did. It is unfortunate, and I hope that you will use your power to push for those adoptions.

My last question is this. About children still, but a different view. You remember the young girl going to school, Malala?

Secretary KERRY. Malala?

Senator LANDRIEU. Malala Yousafzai.

Secretary KERRY. Yes, in Pakistan.

Senator LANDRIEU. She has recovered.

Secretary KERRY. Yes.

Senator LANDRIEU. Thank the Lord. And I think she, according to the paper this morning, is making her first public appearance, a speech, I think, in New York sometime very soon. I am so proud of this child's courage.

And Senator Boxer and I have introduced a bill, and I hope our colleagues will join us in supporting in her honor, that will expand opportunities for education for girls in Pakistan. You know, she was shot for the great effort of just trying to get to school in the morning.

But the problem is, is that there are millions of girls around this world that are trying to get to school, and without our help, they will never make it. So what are you doing specifically in honor of her, but also this great need of getting girls the education they need so they can lift up the economies of their countries, which would be very important for the future of the planet, and move us all forward economically?

Secretary KERRY. Well, Senator, the entire Department is deeply committed to this. Secretary Clinton, obviously, raised the profile on this and set an agenda. We have a national agenda with respect to women and girls, and we are going to do it and enforce it completely.

I had the privilege of presiding over the Women of Courage Awards, which we did a month or so ago. We had three or four awardees who were not able to be here because they are either being held under house arrest or they were scared to leave or they

couldn't leave, et cetera, because of the courage they show and the things they are doing. And we intend to continue to press this.

I mean, America should take pride in what we are doing with respect to girls in places like Afghanistan. When we began our initiatives in Afghanistan in 2001, there were maybe 1 million kids in school, and they were almost all boys. I would say 98 percent, if not 100. Now there are almost 7 million children in school and almost shy of 50 percent, but about 40-some percent are girls.

I met the other day in Afghanistan, we purposefully went out—we did an event that I thought was important to do with 10 Afghanistan women, each of whom have started their own business, and they were remarkable in their courage, in their fearless—you know, one woman, I think, had something like 10 or 12 businesses she had started.

One had three or four, and one of them was a big trucking company, and she is running this business all around the region. All kinds of enterprise. One was helping reach out to other people, to give counseling about how they can become entrepreneurs.

We are going to stay absolutely dedicated to these programs because that is critical not just to the department, but it kind of defines America and is part of who we are and part of our foreign policy. And I am proud of it, and I hope I can make all of you proud.

Senator LANDRIEU. Well, thank you. And would you take a look at the specific bill? And if your Department could give a good nod to it, I would—take a look at it and get—

Secretary KERRY. I can't see why we wouldn't, but let us take a look at it.

Senator LANDRIEU. Thank you very much for your commitment.

Secretary KERRY. Thank you.

Senator HARKIN. Senator Graham.

Senator GRAHAM. Mr. Secretary, welcome.

Secretary KERRY. Sir.

Senator GRAHAM. Are you getting paid by the mile? I don't know if we could afford you.

I just want to say thank you for putting your heart and soul into this job. You have been terrific, John. You have gone—I think every place on the planet that has a runway you have probably been there.

I know how much you care about the country. I think you are a great pick by the President, and I want to be your partner and help you where I can because we are all in this together.

A couple of things. There is a constant effort in the Congress to cut aid to Egypt, and I can understand why people in America would be frustrated with the Morsi government and the level of progress, but could you just very briefly describe to this subcommittee and those who are watching why it is important to stay in the game with Egypt? What would happen if we just severed our ties?

Secretary KERRY. Well, if we just severed our ties, I think our great ally Israel, our friend, would be in jeopardy immediately. Egypt is enforcing the peace in the Sinai. Egypt is working military-to-military, intelligence-to-intelligence with Israel. Israel will tell you that that cooperation is day-to-day and critical to them.

Egypt helped to broker the Gaza peace agreement and has kept it enforced. Egypt has helped to shut tunnels for smuggling that are going in. There are still too many tunnels, but they have begun that process. Egypt's military is an essential bulwark against extremism and a pro-cooperative effort.

I think everybody needs to step back and say look at what happened in Egypt. You had a bunch of young people, a generational revolution, not an Islamic revolution, not a religious-based or ideological revolution, a generational revolution that was based on the aspirations of millions of young kids who want a future that they see the rest of the world having because they are all connected on the Internet, and they see what is going on in the world.

That was the cell phone, text message revolution. And what happened is, obviously, they had an election, which we should be grateful for and proud of, and the people who were the most organized, as is often the way it is in elections, won.

Now we got questions about where they are going? Yes, we do. I am not going to sit here and tell you that I am sanguine about it. They have got to make major economic decisions. They have got to do a better job of reaching—

Senator GRAHAM. The IMF is involved.

Secretary KERRY. IMF, all of that. But the military kept the peace. The military actually kept civil war from occurring. We have young officers in our military who work with theirs who are able to get on the phone and help to quell the violence and give them a sense of direction, and that military actually created the framework for the election and then turned over power to the elected officials of the people of Egypt. They supported democracy.

To cut aid to them and to cut aid to Egypt now would be an insult to everything that we have tried to work for and that they have “embraced” and, frankly, a dangerous move with respect to the security of the region.

Last issue. One-quarter of the Arab world is in Egypt. Egypt has historically been the center of really the grounding of the Arab community, if you will, and in terms of its civil society, there is a strong civil society there. It needs to organize itself more effectively. The opposition needs to organize itself more effectively.

But there is the capacity there for a vibrant political debate going forward. And we should not turn our back on that because somebody won the election who may put some of those choices at question today.

Senator GRAHAM. Well, as to the aid that we give to the Egyptian military, it is not a small part of their budget. So I hope we understand that the Egyptian military is the glue that holds this place together right now, and our economic aid, the economy of Egypt is in decline. And we should do what we can to keep it from becoming chaotic. So I support what you are doing.

Now on the King of Jordan. I think we had 480,000 refugees from Syria come into Jordan. The 150 account is 1 percent of the Federal budget. Foreign aid is 1 percent. And the money to help situations like Jordan I think is indispensable to keeping the King in power.

What would happen—tell me how this account is faring in light of Syria, and what would happen to the region if somehow the King of Jordan were taken down?

Secretary KERRY. Well, we are the largest contributor to Syrian refugee situation. We have put \$385 million in the Syrian refugee situation. People are going to have to do more broadly.

While I was in China, I asked the Chinese. I asked the Japanese. They are prepared to be helpful. Japanese have already been helpful. This is a global humanitarian crisis that is growing in its magnitude.

So our account is going to be tested, and our ability to help is going to be tested in the days ahead.

Senator GRAHAM. And what we do to do make——

Secretary KERRY. And it is critical to Jordan. I mean, Jordan is the essential partner with respect to stability in the region, peace process, the West Bank. There are many, many ways in which every member knows Jordan steps up and tries to be helpful on things, and they are going through a difficult economic time, as well as other challenges.

The fourth largest city in Jordan today is a tent city. It is a city of refugees, fourth largest now. That has a profound impact on the rest of the country.

Senator GRAHAM. If I could just have a couple of minutes, and I promised Senator Begich.

This is so important that we understand where our money goes. It is 1 percent of the budget, but it makes the real difference in Egypt, and it may be the difference between the king surviving or not in Jordan. I hope people understand that the money we spend has a purpose behind it, and yes, we could always do better.

Camp Liberty, remember the MEK situation, the Iranian population in Iraq. Could you give us an update of what we are trying to do there?

Secretary KERRY. I will. First of all, I am very concerned about the safety of people in Camp Liberty, and I understand the passion of the folks from the MEK who show up at many of the hearings here and their concerns.

Senator GRAHAM. Right. I understand it, too.

Secretary KERRY. But the fact is that Camp Ashraf, as it was when they used to be there, really doesn't exist the same way anymore, number one. Number two, that camp is very close to the Iranian border, and it has been a tinderbox with respect to Iranian, Iraq, and Camp Ashraf issues.

Number three, a key component of the MEK's delisting from a foreign terrorist organization classification was their cooperation to move from Camp Ashraf to Camp Liberty, and there is an MOU between the government of Iraq and the U.N. that provides a legal basis, a binding basis for protecting the residents of the camp and facilitating a process of repatriation. But that is predicated on them moving from Ashraf.

So there is a very complicated deal here. Ashraf sits in the middle of Diyala Province. Diyala Province is one of the more violent and dangerous provinces in the county. So the purpose of moving them out of there was really to try to provide greater protection, and I think the bottom line is we are trying to relocate them.

Now that relocation process has gone through a slight hiccup or two in the last months. Number one, originally, some 250 people were going to relocate to Albania. The Albanians were going to accept them. Then the folks who were going to relocate refused. Since then, I am informed that about 170 have agreed to go to Albania.

A lot of countries have been approached by us and asked will you take some people? And frankly, we have been finding a very—we have had a hard time. We are not finding takers.

We are conducting interviews. More than several thousand have been interviewed. But in the interview process that has been going on, that stopped because the interviewees sort of said, no, we are not going to submit to the interviews now. We want to go back to Ashraf.

So there has been a back and forth here, folks, that has been very, very complicated.

Senator GRAHAM. Well, Mr. Secretary, obviously you are very aware of the situation, as you are almost everything I talk to you about. So please keep the subcommittee informed. We want to help.

It would be a betrayal if we let these people have a bad fate.

Secretary KERRY. And I am worried about their safety. I raised that with Prime Minister Maliki when I was in Iraq. Technically, the Iraqis—

Senator GRAHAM. We have got a whole continent to do in about 30 seconds. Africa. The Chinese are all over Africa. We have almost no military footprint. The war on terrorism is moving to Africa.

Our PEPFAR programs, our malaria programs, our aid programs saved a whole generation of young Africans. America is pretty well thought of in that part of the world. Could you tell us, this subcommittee, why we should continue to invest in Africa, and are we getting a good return on our money?

Secretary KERRY. Well, we are not investing enough in Africa to get the proper return on our money. The Chinese are investing more than we are today. Ten of the 15 fastest-growing countries in the world are in Africa, and the United States has a huge stake in the future there.

We need a program, actually, to deal with the Sahel, to deal with the Maghreb. We deal with Sub-Saharan activities. I will be recommending to the President a couple of envoys, one for the Sudan, one for the Democratic Republic of the Congo Great Lakes area, and we need to be engaged, very, very much so.

This is a vital, vital continent.

Senator GRAHAM. It is an economic opportunity for this country. Most of Africa has no power. There is a lot of business interests to be served. If we get in on the ground floor, America can create a lot of jobs by helping the people in Africa.

Do you agree with that concept?

Secretary KERRY. Senator Graham, not only do I agree with that, but that should be the story of our diplomacy, and I intend to raise the profile of what we call economic diplomacy. We are going to go out there and be more engaged. The President has already committed us to a major initiative with the TTIP, and Turkey now wants to negotiate a parallel track with that.

He has also committed us to the TPP, which is the Trans-Pacific Partnership. Japan has just taken steps to raise their game in

terms of standards and rules so that they can be part of this negotiation.

So I think President Obama is defining a very important economic strategy that will strengthen America in the world and also provide more jobs here at home and more revenue for us.

Senator GRAHAM. Thank you, Mr. Secretary.

Secretary KERRY. Thank you very much, Senator.

Senator HARKIN. Senator Begich.

Senator BEGICH. Thank you very much.

Again, congratulations, Secretary Kerry. Thank you for being here.

Let me, if I can, I want to walk through a couple issues first, our kind of budgetary issues and then just some general policy, if that is okay?

First, one of them is a small issue, but it is one that is just kind of on my radar screen. I know in the fiscal year 2014 budget, you have indicated your department has indicated a new consulate in Northern Iraq and acknowledges that, overall, our diplomatic footprint will be smaller, but yet we are going to do this.

And I guess I would be interested in knowing what the cost of that project—you don't have to do it now, but if you could get to me the cost of that project, as well as the operational cost, and how that fits into this overall strategy of a different kind of smaller footprint overall? Because it wasn't as detailed as I would like.

Is that something you could make sure gets to us?

Secretary KERRY. Oh, absolutely. That is the consulate, I believe, that we are putting into Erbil.

Senator BEGICH. Yes.

Secretary KERRY. And it is really important in terms of our relationship. The Kurd relationship with the rest of Iraq right now is shaky. Prime Minister Maliki's relationship both with the Sunni as well as the Kurd issues is not where we would like it to be.

We are talking about \$250 million, and I think it is very, very important to us in terms of a significant component of the Iraqi mosaic.

Senator BEGICH. Okay. The \$250 million is the construction, and the operational costs is which?

Secretary KERRY. I don't know if that includes operation or just construction? I think that is construction.

Senator BEGICH. Just construction. Can you, at whatever point, get us the operational?

Secretary KERRY. Sure.

Senator BEGICH. I would be curious on it because, as you know, it is sometimes easy to get capital money and harder to keep operational money.

Secretary KERRY. I completely understand.

Senator BEGICH. So if I could get that.

Second, this is one that I know as soon as I say this, every time I get a lot of calls into my office. My poor staff gets subjected to this pain and agony. But in your, again, in the budget, the administration's budget, they have \$37 million in fiscal year 2014 for the peace initiative.

I want to make clear I am all for peace. So when people—I am saying this more for outside this room, because I get calls all the

time when I say this, and I know it was established in 1996. And I guess I am interested in if it is now or in some sort of document that you could share with me the value of this facility, this institute, and what it does. And how is it adding to our efforts?

And again, and why I ask you this, and to be very frank with you, appropriations, you know, I am new to appropriations, but I have a different kind of view overall that we have got to look at these budgets in a different way. And we have tough decisions to make.

I mean, you were sitting on this side of the equation many times about the budgets, and there are not comfortable decisions to make and what we need to do on the revenue side as well as an expenditure side. And this is one that keeps cropping up on my agenda on trying to find out more information, why do we do it, what is the value, and then how do we measure that against other things you are doing as stipulated?

As you just hear Senator Graham talk about some important things in Africa, which I will tell you is—I would agree with everything he said. We are totally underfunded there. But can you give me a couple seconds on that, and then I have a couple more I want to go to.

Secretary KERRY. Well, let me just preface it, if I can, Senator Begich, by saying to you that 2 years ago, 3 years ago, I guess, the Congress made a decision based on the sapping of the State Department's capacity over 10 or 15 years, frankly. Particularly during the period of Iraq and early Afghanistan, an awful lot of money drifted over to the Department of Defense (DOD).

Senator BEGICH. DOD, yep.

Secretary KERRY. And Secretary Gates made very important comments regarding this and, frankly, joined forces with Secretary Clinton to try to say you have got to stop that. It is inappropriate to be putting all of this—

Senator BEGICH. You get the aftermath. You get the aftermath usually when DOD finishes. You have got to deal with everything afterwards.

Secretary KERRY. Well, not just that. There is a lot of stuff that DOD has been doing which, in fact, the State Department ought to be doing, particularly in a world where we don't need the military footprint, and you don't want a military footprint. You want a different kind of footprint to accomplish these things.

Senator BEGICH. Yes.

Secretary KERRY. And so, I think it is really important to continue that trend.

Now the Congress decided to, in fact, grow the State Department's capacity by 25 percent. We have reached 17. Now we are going backwards. So I am going to come here and fight hard with all of you to measure—I know we have got these problems here, but after 28 years here, I got a pretty good sense of the budget, and after the Super Committee even better.

We don't have to be making these choices. I want to fight back against the notion that we ought to be sitting around accepting even the concept of a sequester. Sequester was supposed to be something that never happened, not something that we are all happy to live with.

It was never supposed to happen because we were going to get an agreement, and I don't think it is too late to still get an agreement, personally. Now I am not going to jump back in the politics——

Senator BEGICH. Your diplomacy will be needed.

Secretary KERRY. Yes, I think we have got to put the focus where we need it. And I think, in terms of this budget, I would argue with you that \$37 million for the Peace Institute, I would like you to come down as a guest, I mean, it is right down the end of Constitution Avenue.

Senator BEGICH. I know.

Secretary KERRY. You ought to walk in there and let them brief you and show you what they are doing. They are doing very important conflict prevention, conflict resolution, conflict aftermath. There are a whole series of initiatives that they are engaged in, doing work in a nongovernmental fashion that we can't do directly or don't have the money to do and the wherewithal and so forth.

And I think——

Senator BEGICH. Well, that is what I guess——

Secretary KERRY [continuing]. we need to measure that.

Senator BEGICH. Secretary Kerry, I am asking that question because I hear you, and I am one of those, for example, I mean, I suggested a cut in one area. To be very frank again, when I say this, I get calls. It was the study of political science.

I thought I would rather move that to the National Institutes of Health for breast cancer research. It was to say eliminate it. Let us just select a priority that has a higher value or the word earlier used, "return on investment". That is what I am looking for.

And if there is a value that to the work you do, then that is what I need to know because, otherwise, we will be sitting here having—I don't want to get into the sequester. But we will be having these debates forever. I mean, I have only been here 5 years, and it is painful to hear what people want to do.

So what I try to do is look at how we ensure the priorities, because every Department has more priorities than they have money. I don't care what Department it is.

Secretary KERRY. I realize that.

Senator BEGICH. And the question is what are those highest priorities we need to be focused on and how to generate the right return and value? And I don't want to make it so crass that way, but where it makes a difference.

And I agree with you on the DOD stuff because I sat on the Armed Services Committee 4 years, and I can give you program after program with those cuts that we could make there. What it would do to your Department would be enormous. I mean enormous, just to be frank.

So I will take that challenge, but let me ask you one other, and my time is really up. But, and I will have some questions for the record. But I really appreciate the work you have done on the Arctic. You know, we have talked about it when you were in the Senate.

I appreciate Senator Harkin bringing it up. And one of the issues, I think I bumped into you during the Inauguration. I said we need to talk more about it at the Inauguration. I think it was

at a food line or something, and I said, you know, Singapore has an Arctic ambassador. Singapore.

Secretary KERRY. And they want to get in.

Senator BEGICH. And they want to get in. And I would hope you would look at something we proposed last year. We have sent something through channels to have people start looking at it, and that is we should have, as this country, an Arctic ambassador.

It is multi-facet, as you know better than I. I don't have to go through all the presentation because you all, both of you actually did it, which I appreciate because I also sat and met with the President of Iceland today. I saw him about 6 months ago also.

And he is right. While we worry about and we will be debating immigration here in short order and the borders and all that, but what we forget is people can ride a boat right into the coast of Alaska and get off. There is no border. There is no immigration officer except maybe 500 miles away, and you have got to fly there.

But yet we are so focused on the South, which is very important, we are forgetting about the double-digit increase of ships coming through the Bering Sea. You have got China, who wants to be not just an observer. They want to be a member, and they want to own one-fifth of the Arctic, which I am in a public forum. So I will keep my comments calm here and use my words carefully.

But unless I have missed something since I have been here this week, they didn't move to the Arctic. They are still down somewhere else, and we have a unique opportunity. And I know your passion around this issue because it relates to climate change, Law of the Sea. It is all connected.

And the economic opportunities are beyond belief. And we sit around and kind of, well, okay, and 2 years from now, we will be at the chair of the Arctic Council, and I am so happy to hear what you just said a few minutes ago that you are going to be going there. I think it is May 15. I forget the exact date, but May 15.

That is a huge signal that we care about the Arctic and that we want to be a player. And so, I would just ask you to look, and we will send you some of the information on the legislation we had last year. But to get us on some equal footing.

Not saying the State Department hasn't done a good job, but we need someone who has this massive overall approach to the Arctic that the State Department is a strong supporter.

Secretary KERRY. I wrote down a big message to myself right here—

Senator BEGICH. Okay. I am sorry. I got on my rant because you know—okay. Because you know you and I get on the same positive like why don't we have the Law of the Sea? Why don't we have this? And it is like insane.

It is a whole new area for us as a country, and it is almost like we are just now discovering the Arctic Ocean as something of value. Well, it has been there. The difference is now it is melting, and people are realizing "Wow!"

I mean, China has figured this out. They move ships from China to other markets, they will save 40 percent on shipping costs. They are not messing around.

They are going to have a conference on the Arctic in Shanghai. Unless I missed something, Shanghai isn't in the Arctic.

So I really appreciate that. I didn't mean to get on my rant there, but I got a little worked up.

Secretary KERRY. No, Senator, I love your passion about it, and I can—I wish those particular chairs were full and——

Senator BEGICH. I actually wrote that note “our colleagues”, and I made a note. I had an arrow.

Secretary KERRY. I think we ought to have a classified briefing at some point in time so a lot of our colleagues can bear down on how our security may be affected by all of this, and I think we should think about that.

Senator BEGICH. You are right on about this.

I will end on that, Mr. Chairman. Just say I will send a question in on economic diplomacy through energy policy, which I know is another——

Secretary KERRY. Yes.

Senator BEGICH [continuing]. Powerful issue you work on.

Secretary KERRY. I spoke at the energy—you will be pleased to know I spoke at the energy forum in Beijing briefly and went there with the state councilor, and that was a joint effort for both of us. And we issued a statement jointly with the Chinese elevating the climate change discussion now with China and the United States on a bilateral basis to what we call the SNED, the strategic and economic development dialogue that we have.

That is at the ministerial level. Secretary of the Treasury Jack Lew and I will co-chair, major Chinese equivalent officers will be there, and we will engage very directly in what steps we can take just between us to try to address some of these issues.

Thank you.

Senator HARKIN. Thank you, Senator Begich.

I hope that you and I can sit down over coffee or something sometime and talk about the United States Institute of Peace. I was there at the beginning of it with Sparky Matsunaga and Mark Hatfield, and there is a lot of history there, and it is something I would appreciate speaking to you about sometime soon.

Mr. Secretary, one last thing. I don't want an answer right now. If you would just give it for the record. This has to do with getting our ally Japan to ratify the Hague Convention in resolving about 321 cases of United States children that are United States citizens being abducted to Japan by one of their parents?

If you would respond for the record, if I could submit that?

Secretary KERRY. I will just give you a really quick answer. I raised the issue directly with the Prime Minister while I was there a few days ago.

Senator HARKIN. Okay.

Secretary KERRY. He has submitted it to the Diet, and now the issue is will they get it passed or not? So I think whatever you can do to encourage its passage, the Congress could do, would be very, very important. This really is an important step, and I raised that issue very directly with him.

Senator HARKIN. Well, I appreciate that. You don't need to respond to the record now. That was good enough.

Secretary KERRY. Saved ourselves one.

Senator HARKIN. That is great. Mr. Secretary, thank you very much. You have been very generous with your time and your information. And again, thank you for your great leadership.

Secretary KERRY. It is a privilege to be here. Thank you.

Senator HARKIN. Thank you, Mr. Secretary.

ADDITIONAL COMMITTEE QUESTIONS

I'll keep the hearing record open until 5 p.m. Monday for written questions.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

QUESTIONS SUBMITTED TO HON. JOHN KERRY

QUESTIONS SUBMITTED BY SENATOR PATRICK J. LEAHY

Question. How will you determine when to establish or maintain an "expeditionary diplomatic post," and when is it not worth the risk and resources?

What steps has the Department taken to ensure that all diplomatic facilities—whether permanent, expeditionary, or temporary—receive the necessary security evaluations?

Answer. A proposal to open, close, or change the status of a diplomatic mission normally is made and recommended by the assistant secretary for the appropriate regional bureau. Posts are maintained at places of significance to U.S. policy or interests and where the maintenance of a post is acceptable to the foreign government. Many factors are considered in determining whether to open, close, or change the status of a post, including the need for political and economic reporting, the extent of U.S. commercial interests, and the number of resident U.S. citizens. The general procedures to open, close, or change the status of a post are set out in the Foreign Affairs Manual at 2 FAM 400.

There are times when U.S. national interests require our immediate presence. In these circumstances, we must find a suitable facility, and enhance security to the maximum extent possible. Time and the limits of construction feasibility circumscribe our ability to retrofit an existing structure to meet our full standards. In the future, secure expedient facilities will likely remain a critical need, and we continue to examine how to best meet this need based on the totality of the operating environment and host country capabilities.

Security environments can change quickly, so we proactively assess the threat situation on a regular and systematic basis to prepare for contingencies, and so we will better be able to act quickly to protect our people and facilities. Regular interaction with our interagency partners at both the senior and working levels allows us to share information and coordinate on security. Similarly, at every post, the Emergency Action Committee, a group of subject matter experts appointed by the Chief of Mission, meet regularly to discuss threats, emergencies, and other crises at post or against U.S. interests that may have an impact on post.

The Department is fully committed to protecting our people and facilities wherever they are located. The independent Benghazi Accountability Review Board (ARB) made 29 recommendations in key areas such as training, fire safety, staffing, and threat analysis. So far, we have addressed nearly all of the recommendations, but work continues and sustained implementation will require congressional support.

Building on the recommendations from the independent Benghazi ARB, the Department is taking a number of steps to enhance security for personnel and platforms in high risk, high threat posts. We established a mechanism for designating posts as "high threat." Critical elements for discussion in the designation process include: the regional bureau's assessment of the political/economic situation; the ability and willingness of the host nation to protect U.S. interests; known and perceived threats against the United States; and the vulnerabilities of U.S. personnel, facilities, residences, and outlying structures.

The Department has also created a High Threat Review Board to conduct an internal review of the High Threat High Risk post list every 6 months. The High Threat Post Review Board will review the U.S. official presence annually, and on an *ad hoc* basis if required (e.g., if the security environment deteriorates at a post).

Also of note, the sixth unclassified recommendation of the independent Benghazi ARB states: “Before opening or re-opening critical threat or high risk, high threat posts, the Department should establish a multi-bureau support cell, residing in the regional bureau.” As part of our work to implement the ARB’s recommendations, the Department developed standard operating procedures for “Support Cells” for opened/reopened posts. The process is being incorporated into the Foreign Affairs Handbook.

Moreover, the Department created the new position of Deputy Assistant Secretary (DAS) of State for High Threat Posts (HTP) in the Bureau of Diplomatic Security (DS)—a position that will focus on the specific challenges facing high threat posts, which will enable other DS experts to focus on other challenges. The new DAS for HTP will work closely with the existing DS office of International Programs (IP), which manages overseas security and law enforcement programs and related policy for the benefit of United States Government (USG) interests and the international community. Both HTP and IP provide the operational guidance and funding necessary to establish and maintain effective security at U.S. Diplomatic and Consular facilities; ensure Regional Security Officer security programs are effective and in conformity with DS policy and standards; and provide resource and planning support. The IP directorate also includes the office of Overseas Protective Operations which administers the Local Guard Program and Residential Security program, as well as, the Office of Special Programs and Coordination which administers the Marine Security Guard Program, and Emergency Planning process, among others for all posts.

CYBERSECURITY AND INFORMATION SECURITY VULNERABILITIES

Question. The State Department Inspector General has identified shortcomings that leave embassies vulnerable to cybersecurity attacks.

Some of the concerns include the Department’s lack of policies and procedures for maintaining information security, the lack of appropriate training for information technology staff, and information security officers who are not performing required duties due to competing priorities and inadequate guidance.

Given the need for strong cybersecurity and information security, what is the Department doing to address these vulnerabilities?

Answer. The Department has established a global “defense-in-depth” cybersecurity program that leverages the collective expertise of the Bureaus of Diplomatic Security (DS) and Information and Resource Management (IRM) to identify and mitigate threats to our networks and information assets. This matrix of technical security, operational security, and program management capabilities provides system owners and senior officials the timely cyber intelligence reports, threat analysis, and technical security evaluations necessary to make informed risk-management decisions and thereby safeguard the Department’s sensitive information and critical infrastructure. In addition to these security initiatives, the Department recently launched the Foreign Affairs Cybersecurity Center (FACC), a state-of-the-art cyber operations facility that focuses on detecting and understanding the emerging cyber threats and activities within the Department and the entire foreign affairs community.

The Department has actively addressed and will continue to address the issues identified by the OIG in aspects of the Department’s cyber programs.

IRM and DS have completely revised the policies and procedures contained in the Foreign Affairs Manual dealing with information programs and security. These revised policies and procedures are currently in the clearance process leading to publication.

On the training front, we have nearly completed a thorough revision of the Information Assurance Training Program that will revitalize the education given to information technology staff as well as all Department personnel who play a role in information technology and cybersecurity, including senior managers.

The Department recognizes the challenges placed on our Information System Security Officers (ISSO), particularly at posts abroad where staffing levels require that they perform other duties in addition to those expected of the ISSO, but believe that the systems and training we have implemented provide the robust security required.

Question. You have been to Afghanistan many times. You have seen our aid programs. On the plus side, thousands of girls are in school and there are improvements in public health and other areas.

On the minus side, the situation facing Afghan women remains abysmal, and USAID and the State Department, often pressured by the Pentagon, have spent a lot of money on unsustainable projects that made no sense in that country.

You are asking for another \$3 billion for U.S. Embassy operations and aid for Afghanistan in fiscal year 2014. That is still a lot of money. With most U.S. troops coming home, the countryside too dangerous for Embassy officials to travel much outside of Kabul, and corrupt warlords eying the spoils, what can we realistically do there—is this a situation where not long from now the only place the Taliban are not in control is Kabul itself?

How do we avoid throwing away more money on things that don't last?

Answer. The support provided by the United States to the Government and people of Afghanistan since 2002 has fostered significant political, security, and economic reforms and progress. The Strategic Partnership Agreement between the United States and Afghanistan, signed by President Obama on May 1, 2012, outlines a way forward between our two nations that builds confidence in Afghanistan's future and builds on the gains of the past decade.

U.S. engagement in Afghanistan remains disrupting and dismantling to al-Qaeda in Afghanistan, blunting its capacity to threaten America and our allies. Our cooperation with, and assistance to Afghan National Security Forces has made significant progress and we are on-track to transition full security responsibility to Afghan forces by the end of 2014. Afghan citizens do not want their country to return to the state of chaos that existed prior to 2002, and with steadily increasing capacity, Afghan forces are already leading security operations and maintaining security in areas where nearly 90 percent of the Afghan population lives.

We have also made significant progress in the civilian sector including improvements in delivery of health, education and other services, the responsible management of natural resources, and the distribution of electricity. In the coming years we will cooperate with Afghans and other donors to further improve the performance of Afghan security services and continue work with civilian ministries to protect the development achievements of the last decade. We will support the political transition to a new democratically elected government, promote economic growth with a focus on agriculture, strengthen the justice system, protect the health and education gains and ensure women continue to play a central role in Afghanistan's future development.

Assistance activities in Afghanistan are increasingly focused on systematic, long-term improvements that are Afghan led and sustainable. The Department of State and USAID are committed to ensuring that assistance programs achieve sustainable results in Afghanistan. Likewise, we share the Afghan Government's goal of increasing Afghanistan's self reliance and decreasing the country's dependence on foreign aid. The USAID Administrator issued the Sustainability Guidance in 2011 to ensure USG programs achieve sustainable results, and all USAID projects initiated since then have met the Administrator's criteria. In addition, we have incorporated sustainability into all project design processes, and all USAID projects are now subject to a sustainability audit.

As we pledged at the Kabul and Tokyo Conferences on Afghanistan, we are responsibly increasing the amount of assistance we channel through the Afghan budget as a means to build Afghan capacity and improve the sustainability of assistance projects. Our focus is to deliver effective programs, in partnership with the Afghans, which will have lasting impacts through the Transformation Decade. Our economic growth projects, for example, are creating jobs, private sector investment, and increasing Afghan Government revenues.

Our health and education programs, meanwhile, are increasingly being delivered on-budget through Afghan systems. We are reducing budgets for short-term programs, such as cash-for-work, and focusing stabilization efforts instead on linking communities with local governments.

In the area of infrastructure, we have made significant and life changing investments in energy and transport. And we are now making every effort to ensure Afghan mechanisms and capacity to properly maintain projects are built concurrently with the physical construction of dams, electrical lines and roads.

Civil society must play a critical role in ensuring implementation of commitments made at the Tokyo Conference, including overseeing the sustainable implementation of aid and enhancing its effectiveness. We recognize civil society's value in overseeing decisionmaking processes and seek to regularly engage civil society actors on this and other topics.

Question. The Morsi government is consolidating power in ways that concern people here. The rights of women and non-governmental organizations (NGOs) are under assault, and it seems like prospects for a government that fully respects human rights and the rule of law are diminishing.

We want a close relationship with the Morsi government and with the Egyptian military. But the days of blank checks are over. There are Republicans and Demo-

crats who believe we need a comprehensive review of our economic and military aid for Egypt, identifying what our goals are and what Egypt's needs are.

You were there not long ago. What is your assessment of President Morsi's intentions, and what is your best guess of what Egypt's transition will look like a year from now?

Answer. The administration believes that the Egyptian Government values a strong relationship with the U.S., and we will work to maintain that relationship while pursuing our goals in Egypt and the region. Those goals include the advancement of basic human rights, rule of law, and security interests. A democratic Egypt that upholds human rights, including the freedoms of speech, assembly, association and religion and equal rights for women and religious minorities, is in the U.S. interest, and our assistance is an important tool in our effort to promote such freedoms. We have real concerns about the course of Egypt's democratic transition. We convey, both in public and private at the highest levels, the need to protect fundamental freedoms, and we have publicly noted our concern over investigations and prosecutions that aim to restrict freedom of expression and legitimate political protest. We are also in close contact with senior Egyptian officials over draft laws that would restrict civil society and freedom of assembly. Egypt will be more stable and prosperous, and the U.S.-Egypt relationship will be stronger, when all Egyptians are able to organize and voice their opinions freely without fear of prosecution or government interference.

Similarly, the shared U.S.-Egypt goal for the Egyptian Armed Forces is a modernized military, including equipment, capabilities, and doctrine, that is willing and capable of countering emerging threats and partnering with the U.S. to address regional security challenges. We are continually working with the Egyptian military to target more of our assistance toward emerging threats, including border security, Sinai security, and counterterrorism. Those efforts are bearing fruit, as an increasing percentage of our Foreign Military Financing is dedicated to these specific threats. In cooperation with the Egyptian Ministry of Defense, we will conduct further review of our strategic relationship and initiatives to broaden and strengthen our defense partnership as part of our annual, military-to-military talks.

It is crucial that we maintain a strong relationship with the Egyptian Government in order to advance our interests in the region as Egypt pursues its democratic transition. As we have said, the transition will not be linear or easy, and it is difficult to predict what Egypt will look like in the coming months. But that is why we must remain engaged, because instability in Egypt would seriously affect regional security and could undermine transitions in other countries. We regularly review our aid programs to countries around the world, and as conditions in Egypt have changed, so too has our assistance. This coordinated effort will continue so that our assistance satisfies both our goals and Egypt's needs.

REDUCING WASTE AT THE STATE DEPARTMENT

Question. The State Department Inspector General regularly recommends cost-savings by closing or downsizing consulates and offices or centralizing support functions. Here are some examples:

- Moving 80 percent of the staff of the Regional Information Management Center from Frankfurt, Germany back to the United States. The Inspector General estimates that would save \$18 million a year, and reduce security risks to the staff.
- Eliminating redundant overseas management services provided by multiple Federal agencies in services like furniture inventory, motor transportation, administrative procurement, and local staff recruitment.
- The Inspector General says that while the Department has downsized a few consulates, none of the consulates that it has recommended be closed have been closed. The Inspector General has also identified several overseas posts where visa workload has declined but there have been no staff reductions.

You haven't been Secretary of State long, but do you have any idea why these cost-saving recommendations have not been implemented?

Answer. The Department takes very seriously recommendations by our Office of Inspector General, and works to implement these recommendations as expeditiously as possible to improve our operations and save money. With regard to your specific examples:

Eliminating Redundant Overseas Management Services/Consolidating Services

We have been actively consolidating management services between State and USAID.

- State and USAID have been consolidating management services in an effort to maximize our program resources and build a robust platform to support our di-

- plomacy and development missions. The shared services concept is widely used in the government and private sectors to deliver quality services at best cost.
- Fifteen specific management services were “agreed-upon for consolidation.”¹ Over 98 percent of these services have been consolidated at posts where State and USAID are in the same building or compound (collocated). Over 95 percent of services have been consolidated where State and USAID have yet to move to a new Embassy compound (i.e. where they remain non-collocated).
 - We have gone beyond the agreed-upon 15 services to seek out additional consolidation opportunities—for example, furniture, furnishings and appliance pools; Information Technology services; Human Resources services, including Locally Employed Staff position classification; and travel management centers.

Downsizing and Closing Consulates/Reducing Staff

U.S. diplomatic posts are maintained at places of significance to U.S. policy or interests and where the maintenance of a post is acceptable to the foreign government. Many factors are considered in determining whether to open, close, or change the status of a post, including the need for political and economic reporting, the extent of U.S. commercial interests, and the number of resident U.S. citizens. I have not yet had time to comprehensively review our worldwide presence by post, but I plan on having the Department do so in the months ahead, considering U.S. policy interests.

The Department continually evaluates its overseas staffing and makes adjustments accordingly to achieve the right mix and number of staff at post. With the pressing diplomatic, consular, and national security workload facing the U.S. Government abroad, we must deploy our staff to maximize both our effectiveness and use of our resources.

Moving Regional Information Management Center staff from Frankfurt to the United States

The Department respectfully disagreed with this OIG recommendation, and is working with the OIG toward resolution.

In addition to staff in Washington, DC, the Regional Information Management Centers (RIMC) have staff in Fort Lauderdale, Florida; Frankfurt, Germany; and Bangkok, Thailand. RIMC provides a broad range of operational, hardware, and software support services for telecommunications, data processing, office automation, telephone, and radio systems installed at U.S. missions abroad. Many of the services are of an emergency nature. RIMC Frankfurt provides technical and operational assistance to 180 posts within Europe, Near East Asia, South Central Asia, and Africa. We believe it is essential that IRM staff are regionally deployed in order to most efficiently support our IT systems worldwide, on a 24/7 basis.

Question. Aside from the President’s “red line” on the use of chemical weapons by the Syrian regime, are there any other red lines that would trigger stronger U.S. intervention? For example, what if the death toll rises above 100,000? 200,000? I believe the use of military force should be a last resort, but at what point is military force the only way to stop this?

What would a diplomatic solution in Syria look like? Do you see a solution in which Assad remains in power to be acceptable?

Answer. The administration believes that the best way to end the Syrian crisis is through a negotiated political solution. The regime and its supporters will fight to the last person standing. To get to a sustainable peace, Syrians need a political solution that assures all citizens of their rights.

The opposition and members of the regime without blood on their hands must come together to negotiate a deal like the framework laid out in the Geneva communiqué. This framework—agreed last June by the permanent members of the United Nations Security Council, Turkey, and Arab League states—calls for a transitional governing body formed on the basis of mutual consent of the opposition and the Syrian regime to be given full executive powers and guide the country to elections.

This means that Assad, who has long lost his legitimacy and whom the opposition will never accept, will not play any role in that transitional governing body. If he

¹ The 15 services include: (1) warehouse management; (2) expendable supplies; (3) functional and residential property leasing; (4) motor pool; (5) residential and non-residential maintenance; (6) customs and shipping; (7) reproduction services; (8) mail and pouch services; (9) cashiering; (10) FSN payroll processing; (11) non-programmatic simplified acquisition procurement, e.g., administrative procurement of goods and services (not to include personal services contracting); does not include contracting, grant-making, and related contract management functions that implement USAID strategic programs; (12) LE Staff recruitment; (13) eligible family member programs; (14) “at post” language training; and (15) FSN initiatives.

is unwilling to decide that he should transfer executive authority, we will continue to find ways to pressure him to think differently about what lies in the future.

While this administration continues to take a hard look at every available, practical, and responsible means to end the suffering of the Syrian people, we do not believe at this time that it is in the United States' or the Syrian people's best interest to provide lethal support to the Syrian opposition. The judgments we make must pass the test of making the situation better for the Syrian people and must also take into account the long-term human, financial, and political costs for us, Syria, and the region. We continue to believe that a political solution to the crisis is the best way to save the Syrian people further suffering and to avert further destruction of the country, for which the regime bears overwhelming responsibility.

Question. On your recent trip to Beijing did you make any progress with the Chinese authorities on either human rights or Tibet?

Answer. During my recent visit to Beijing, I raised with Chinese leaders our concerns about the human rights situation in China, including highlighting specific cases of concern, and about the worsening situation in Tibet. I called on Chinese authorities to release political prisoners, raised the case of Chen Kegui, and urged China to end harassment of Chen Guangcheng's family members. I repeated our call for the Chinese Government to address policies in Tibetan areas that have created tensions and urged Chinese leaders to resume dialogue with the Dalai Lama or his representatives without preconditions and to permit access to Tibet for diplomats, journalists, and other international observers. Since my visit, I have continued to raise my concerns with the Chinese Government about human rights cases and believe that this exchange has advanced our efforts to promote human rights in China.

Question. The Ethiopian Government has made it virtually impossible for independent civil society groups to function there. Similar legislation is expected in South Sudan and Kenya. All three countries have been, and are today, major recipients of U.S. aid. What can we do to protect and sustain independent human rights and democracy voices in these countries?

Answer. We advocate, privately and publicly, for the protection of fundamental human rights in Ethiopia, including the freedoms of expression and association. As part of our bilateral engagement with the Government of Ethiopia we maintain a high-level dialogue on democracy, governance, and human rights, as we do in the other two main areas of our relationship (economic growth and development, and regional peace and security). At the same time, our Embassy engages in ongoing dialogue with representatives of civil society. Embassy representatives, including Ambassador Booth, have attended trials of journalists and political activists under Ethiopia's controversial anti-terrorism proclamation, and the U.S. government has publicly expressed our concerns about the use of this law to prosecute a number of journalists and political activists, which raises serious questions about the intent of the law and the sanctity of Ethiopians' constitutionally guaranteed rights to freedom of the press and freedom of expression. We have also publicly urged the government to release those who have been imprisoned for exercising their human rights and fundamental freedoms.

Kenya's civil society has played an important role in the country's development and provides key support for the full implementation of the political, democratic, and institutional reforms envisioned under Kenya's 2010 constitution. We fully supported, through our robust election assistance, Kenyan civil society in order to enhance its efforts to help ensure peaceful and credible elections. The U.S. Government's robust electoral assistance program helped strengthen civil society efforts to provide civic and voter education, promote peaceful participation in the elections, develop conflict early warning mechanisms, and enhance domestic observation efforts including conducting a parallel vote tabulation of the presidential election results. Civil society organizations have criticized the Public Benefit Organizations Act recently passed by parliament, noting that it may negatively affect Kenyan civil society. We will better understand how the Act will be implemented once it is gazetted. We will continue to convey to our Kenyan Government contacts the importance of maintaining a vibrant and thriving civil society, and will continue to provide financial and technical support to civil society organizations.

In the Republic of South Sudan (RSS), legislation governing access to information, the press and non-governmental organizations (NGOs) is under review. The 2005 interim constitution mentions some fundamental freedoms such as freedom of speech, but press freedom is not guaranteed absent a specific media law. The RSS still faces capacity challenges in meeting the enormous task of drafting and implementing many necessary laws, including media, land, labor laws and family laws. We continue to support capacity-building efforts and continue to encourage the government to develop and adopt transparent and effective laws that respect fundamental freedoms. In February, the South Sudan Government committed to become one of five

pilot countries in a U.N. action plan on the safety of journalists and the issue of impunity.

Question. In 2010, a video of Pakistani soldiers summarily executing suspected Taliban prisoners was posted on the Internet. General Kayani pledged to conduct an investigation, but since then we have heard nothing. This was not an isolated case of alleged war crimes by Pakistani soldiers. The Taliban has also summarily executed Pakistani police captives. Do you know if any Pakistani soldiers have been punished for any of these crimes?

Answer. We acknowledge that there are serious governance and human rights problems in Pakistan and we continue to both report on and raise these with the government at all levels. In this particular case, in October 2010, Chief of Army Staff Kayani ordered a Board of Inquiry to investigate the video and the allegations. We continue to ask the Pakistan Government for the results of this investigation. However, to date, we have not been made aware of its findings.

Separately, in February 2013, we informed the Government of Pakistan that certain units in Pakistan's army were deemed ineligible to receive assistance because of gross violations of human rights (GVHR). The government has yet to formally respond to our demarche, but in initial conversations with Pakistan's military and civilian leadership both indicated that violations have happened—which is a notable progression from their prior denial of any GVHR—and they have addressed them. We continue to press the Pakistani Government for information on the specific steps it has taken to hold accountable those responsible for these acts.

We remain in full-compliance with the Leahy law and have a system in place that vets candidates for training and distribution lists of equipment for human rights abuses for both Foreign Military Financing (FMF) and the Pakistan Counterinsurgency Capabilities Fund (PCCF).

Also, Embassy Islamabad has a Rule of Law Coordinator who, working with colleagues in the Mission and the Office of the Defense Representative for Pakistan (ODRP), is developing a Rule of Law strategy aimed at addressing the root causes of these violations: ineffective justice sector, "score settling"; a belief that militant action warrants retaliation; and a lack of civilian and military voices to counter the practice. As we expand our dialogue with Pakistan on this issue, we will work to further define the underlying causes for this practice and will determine how to best utilize existing civilian and security assistance to address the problem.

Question. The Broadcasting Board of Governors (BBG) is in trouble. Just last week another governor resigned, leaving the Board with only 5 of 9 governors, including you as an ex-officio member. Last fall, one of its grantees, Radio Free Europe/Radio Liberty, restructured its Moscow bureau by summarily firing most of the staff there. It was so poorly handled that it became a highly visible controversy that damaged the image of the United States.

The President's budget proposes changes in the management of the BBG, including the establishment of a Chief Executive Officer to provide day-to-day management. Do you think the President's proposal goes far enough?

What do you think the role of our international broadcasting programs should be, given the changing global media environment? Do you think that the BBG is adequately filling this role?

Answer. The Department of State fully supports the creation of a Chief Executive Officer (CEO) position for United States International Broadcasting, as presented in the administration's budget for fiscal year 2014. This move to improve the management and efficiency of Broadcasting Board of Governor (BBG) operations was unanimously supported by the members of the BBG in January 2012, and the Department of State's Office of the Inspector General underscored the importance of such an action in a report issued this past January.

Under this plan, the CEO will be chosen by and report to a BBG board that is appointed through the White House and confirmed by the Senate, with the Secretary of State continuing as an ex-officio member. The CEO will provide critically important day-to-day executive leadership for U.S. international broadcasting, and will have management authority over the Federal and non-Federal elements of U.S. international broadcasting. The Broadcasting Board of Governors would continue to set the strategic direction of U.S. international broadcasting, as well as evaluating its journalistic quality and maintaining its journalistic integrity.

The Broadcasting Board of Governors also needs to be at full membership. It has been without a chair for more than a year. A nominee for the BBG Board chairman and another Governor are now before the Senate, and their confirmation without delay will provide an important step in restoring the Board to full strength.

Our international media operations are an important part of U.S. foreign policy. Their mission—to inform, engage and connect people around the world in support of freedom and democracy—remains a critical element for achieving our foreign pol-

icy and national security objectives, and the recent Office of the Inspector General report found that “U.S. Government broadcasting is characterized by journalism of the highest caliber and a widespread devotion to supporting democracy and freedom . . . due to the commitment of the broadcast entities and professional staff.” I remain committed, both as Secretary and as a member of the Broadcasting Board of Governors, to ensuring that our international media operations have the leadership, structure, and clear vision needed to fulfill their vital mission on behalf of the American people.

DEPUTY SECRETARY FOR MANAGEMENT AND RESOURCES

Question. Secretary Clinton created the position of Deputy Secretary for Management and Resources, with the authority to ensure that the Department’s resources are being used effectively.

Without Under Secretary Tom Nides’ leadership last year in reevaluating the size of the Department’s huge presence in Iraq, which resulted in major reductions in personnel and programs, American taxpayers would still be wasting hundreds of millions of dollars.

Are you planning on maintaining this position and are you recruiting someone to fill it that will make the difficult budgetary decisions that may be necessary?

Answer. Yes, I am planning on maintaining both Deputy positions. I believe it is very effective for the Deputy Secretary of State to focus on the formulation and conduct of foreign policy, while the Deputy Secretary for Management and Resources concentrates on resource allocations and management activities of the Department.

As I believe Jack Lew and Tom Nides well demonstrated, there is a great value in filling both Deputy Secretary positions at the Department. I am working with the White House on a strong nominee for Deputy Secretary for Management and Resources.

Question. Anyone who has seen the photographs of the destruction of forests in Alberta, anyone concerned about climate change, and anyone who is aware of the huge cost and difficulty of cleaning up the oil spill in the Kalamazoo River, should have concerns about the Keystone pipeline. Unfortunately, this has turned into a politicized debate between jobs and the environment.

Many people were unimpressed with the first review conducted by the State Department. What is going to be different this time? Is it true that a large portion of this oil would be exported to other countries?

How do we ensure that as we become less dependent on Middle East oil we do not lower our environmental or health standards and that we reduce our reliance on fossil fuels wherever they are produced?

Answer. The Department received TransCanada’s new Presidential Permit Application for a revised Keystone XL pipeline project in May 2012. The application identified new potential routes through Nebraska that were not the same as the routes analyzed in the previous environmental review. After a thorough process, the Department selected Environmental Resources Management (ERM) to serve as an independent third-party contractor for the review of the new application. Working under the Department’s direct supervision, ERM has assisted the Department in conducting a detailed analysis of the new route in Nebraska, in cooperation with the State of Nebraska, and in analyzing any relevant new significant information available since August 2011 when the Final Environmental Impact Statement for the previous Keystone XL project application was completed.

This past March, the Department released the Draft Supplemental Environmental Impact Statement (SEIS) for the proposed Keystone XL pipeline, and received robust reactions during the 45-day public comment period. In this regard, on May 23, 2013, the Department of State posted the first set of approximately 100,000 comments, out of the more than 1.2 million received, on the draft SEIS for the proposed Keystone XL pipeline to www.regulations.gov, a public website. This marks the first time the Department has made plans to make available individual comments on a Presidential Permit application available to the public. The Department decided to post these comments as part of its continued effort to maximize transparency in the Federal Presidential Permit review process.

The Department is conducting a transparent, thorough and rigorous review of TransCanada’s application for a Presidential Permit for the project. Economic and energy security issues, including the potential for exports are among the many factors as well as environmental and pipeline safety concerns, that the Department is examining in preparing a Final SEIS.

And finally, the administration continues to advance clean energy through the promotion of renewable energy and energy-efficient technologies in areas ranging

from industrial energy efficiency and appliance efficiency standards and labels to building code design and utility demand-side management.

QUESTIONS SUBMITTED BY SENATOR TOM HARKIN

Question. Independent, democratic unions and their supporters are persecuted for exercising their right to freedom of association in Mexico. In the last 12 months, an organizer from the Workers Support Center helping to organize auto-parts workers in Puebla was kidnapped and tortured and the executive director of the same organization was threatened with death. Forty-five electrical worker union members were seriously injured by federal police while peacefully protesting their illegal dismissals in front of a government building. One hundred eighty community residents and members of the mineworker union were forcibly displaced from a protest camp in front of a controversial mining site when their shelters were razed and burned. Finally, hundreds of union supporters in Northern Mexico were illegally fired days before a union election.

Although the Peña Nieto Administration made the highly public point of arresting perhaps the most infamous “protection union” leader, Elba Esther Gordillo, in February and has undertaken a high profile labor law reform, the corrupt system of protection unions continues to stifle independent union organizing in Mexico, and workers seeking to stand up to this corrupt system face serious threats and reprisals. As the United States prepares to strengthen its already close economic ties to Mexico through the forthcoming Trans Pacific Partnership (TPP) free trade agreement, what opportunities do you see for the Obama Administration to use this relationship to help Mexico improve compliance with fundamental labor rights, including freedom of association?

Answer. The Obama Administration strongly supports protection of worker rights in Mexico. In our conversations with the Government of Mexico and other Mexican stakeholders, we have stressed the importance of observing International Labor Organization standards as well as Mexico’s obligations under the North American Agreement on Labor Cooperation. We give prominent attention to labor rights concerns in Mexico in our 2012 Country Reports on Human Rights Practices. We meet regularly with labor union representatives in Washington and in Mexico to monitor developments.

The United States seeks to negotiate a TPP agreement that includes strong, enforceable labor obligations. Our most recent trade agreements have committed signatory countries to adopt and maintain fundamental labor rights as stated in the International Labor Organization (ILO) 1998 Declaration and to effectively enforce those rights.

The Office of the U.S. Trade Representative is the lead U.S. Government agency in negotiating the TPP.

Question. Two years ago peaceful protests broke out in Bahrain inspired by the Arab Spring. The Government of Bahrain responded violently, killing several dozen protesters and arresting, and torturing hundreds. Despite claims by the Government of Bahrain, human rights groups continue to catalogue ongoing and egregious human rights abuses including the incarceration of doctors who have treated injured protesters, lethal attacks by government forces on protesters, and failure to rebuild destroyed religious sites. Recently, the Government of Bahrain initiated a dialogue with the opposition, but it is hard to see how any dialogue will succeed while the Government continues to keep political leaders who should be at the negotiating table in prison and routinely attacks peaceful protesters.

With the lack of progress being made, it is growing clearer that the United States needs to recalibrate its policy towards Bahrain. What changes in U.S. policy toward Bahrain are you considering in order to ensure U.S. security interests in the Gulf Region, and to more effectively promote fundamental human rights and a transition to democracy in Bahrain? Can you point to items in the budget request that will help support the transition to democracy in Bahrain?

Answer. We understand that respect for fundamental human rights in Bahrain is important to its citizens, the region, and the United States. We have been deeply engaged with the Bahraini Government since the outbreak of unrest in 2011 in order to bring about concrete political reforms and improve its human rights record. The Government of Bahrain initiated the Bahrain Independent Commission of Inquiry (BICI) in 2011, and it has made some progress in implementing reforms pertaining to the BICI’s recommendations.

We continue to urge the Government of Bahrain to move forward in a concrete fashion on reforms, human rights, and a political solution. The National Dialogue, while progressing slowly, is a welcome attempt by the Government of Bahrain and

opposition groups from all sides to come together in order to build a new social contract in Bahrain. We also encourage Bahraini attempts to find a political solution, and we have provided assistance for programming along those lines. We intend to continue our support for reconciliation wherever possible. We remain convinced that a credible National Dialogue offers the best path to address the root causes of Bahrain's domestic unrest, and will continue to identify ways to support these efforts.

The President's fiscal year 2014 request includes \$580 million for the Middle East and North Africa Incentive Fund (MENA IF), through which the U.S. Government (USG) will support transparency, citizen engagement, and proposals from local authorities to sustain and advance democratic reforms. The MENA IF will provide a platform from which the U.S. Government can respond to new opportunities across economic, political, and security spheres. Furthermore, MENA IF will help rebalance U.S. military and economic assistance in the region, while also promoting institutional reform. A MENA IF program in Bahrain would provide the United States with additional tools to work with Bahrainis toward shared reform objectives.

In the coming months, we will work with our Bahraini colleagues and key allies in the region to formulate the best way to help Bahrain succeed on its reform path. With that in mind, we continue to work on ways to help the Bahrainis in these efforts, including additional support for technical assistance in dialogue and negotiation, as well as training and assisting in areas of government accountability, judicial reform, and corrections reform.

QUESTIONS SUBMITTED BY SENATOR BARBARA A. MIKULSKI

GENDER-BASED VIOLENCE

Question. Violence against women is a horrific and widespread human rights crisis that undermines the effectiveness of existing U.S. investments in global development and stability, such as increasing basic education or creating stability in Afghanistan and Pakistan. Women and girls are particularly vulnerable to sexual violence in times of conflict and natural disaster.

Secretary Kerry, I was very encouraged by the recent announcement of U.S. support for the G-8's initiative to prevent sexual violence. Can you tell us how the United States is working to integrate sexual and gender-based violence programming into our responses to conflicts in places like Syria and Mali or following natural disasters like the famine in West Africa?

Answer. As we have historically seen, in conflict situations, gender-based violence (GBV), including sexual violence, tends to increase. We are closely following conflict developments around the world, particularly in places like Syria and Mali, and following natural disasters such as famine in West Africa. Preventing and responding to GBV is a critical step toward advancing the U.S. Government's goal of supporting the emergence of stable, democratic countries that are at peace with their neighbors and provide for the basic needs of their citizens.

We are taking action on the ground through our diplomatic and targeted programming to include: training peacekeepers on GBV awareness and prevention activities, working with non-governmental organizations to ensure men's engagement in preventing violence against women and girls, ensuring women's political engagement and empowerment, and promoting women's economic and entrepreneurial opportunities.

In fiscal year 2013, the Department of State, with the U.S. Agency for International Development (USAID), pledged \$10 million to support the United Kingdom's (UK's) Preventing Sexual Violence Initiative (PVSI) for new and ongoing efforts to address GBV in countries affected by crisis, conflict, and insecurity, specifically in areas across Africa, Afghanistan, Haiti and Georgia. Programs will support research to identify effective interventions to address GBV and increase women's political empowerment, access to healthcare for survivors of GBV, and improved accountability efforts for GBV through human rights documentation and transitional justice workshops. In addition, it will support efforts to empower women leaders to play a more active role in political discussions, peace agreements and with transitional institutions and commissions. It will provide technical support and training for police, investigators, and prosecutors in order to strengthen national capacity to address GBV—all of which are integral to any sustainable approach to addressing violence against women and girls, especially when conflicts arise.

Furthermore, we are in the process of implementing the U.S. Government's first strategy to prevent and respond to GBV globally. We are taking a government-wide approach to address this issue by improving our coordination, establishing concrete objectives and actions to marshal the United States' expertise and capacity to ad-

dress gender-based violence, and learn from best practices. We are finalizing benchmarks for measuring our progress and have already urged action in countries where there are acute levels of gender-based violence.

Question. Basic education programs are, particularly in countries torn apart by civil conflict or natural disasters, vital in building stronger economies, helping families and communities, and empowering young girls. In many parts of the world young girls are at a particular disadvantage due to poverty and discrimination. In regions such as Afghanistan and Pakistan efforts to restrict the ability of girls to access education continue to grow. Yet, providing girls with an education is one of the most powerful ways to change a society. The Taliban's brutal attack on Malala Yousafzai in October 2012 reinforces the need for the United States to strongly support basic education programs.

The threat to gender equality in education is very real today. Secretary Kerry, how do you justify drastic cuts to basic education in the proposed fiscal year 2014 budget? How do you measure the impact of basic education funding on women and girls? Will aid programs tied to education, such as health and nutrition initiatives, be affected by the proposed reduction?

Following the assassination attempt on Malala Yousafzai, does the State Department believe that cutting funding to basic education is consistent with Department priorities? What message is our Nation sending about the importance of universal education by cutting these programs?

Answer. As USAID Administrator Rajiv Shah noted in his testimony this year, education is "a core development objective" of U.S. foreign assistance. I agree that education is a foundation of human development and critical to broad-based economic growth. Increasing access to education in crisis and conflict environments is a key component of achieving long-term stability. The decrease in basic education funding in the fiscal year 2014 request should not suggest a decrease in our commitment to international education efforts. Rather, it reflects our efforts to concentrate activities in the highest priority areas of USAID's Education Strategy and in a more focused number of countries where we feel U.S. assistance can have the most impact in the education sector. In fiscal year 2009, we funded education programs in 58 overseas Missions; the fiscal year 2014 request for education focuses on programming in 49 Missions. Additionally, as assistance levels for frontline states decrease, our large requests for basic education funding in these countries also go down. We are firmly committed to using foreign assistance resources in a manner that is strategic and impactful.

Regarding the measurement of the impact of our basic education funding on women and girls, we have contributed to the advances made under Millennium Development Goal 3, which targets the elimination of gender disparity in education. The world has achieved gender parity in primary education, as the ratio between the enrollment rate of girls and that of boys grew from 91 in 1999 to 97 in 2010 for all developing regions. We know, however, that an education remains out of reach for girls in some regions. There is more work to be done, and, overall, we are confident in our ability to continue to make significant strides in improving education for millions of children around the world.

The USAID Education Strategy lays out topline goals for improving reading skills for 100 million children in primary grades by 2015 and increasing equitable access to education in crisis and conflict environments for 15 million learners by 2015. While programs for girls' education exclusively are not emphasized in the USAID Education Strategy, advancing girls' access to and success in education is fully integrated throughout our education programs. All education programming captures sex disaggregated data for baseline and endline data to ensure our ability to identify and monitor the impact of funding and programming on women and girls. This approach expands and deepens the impact that our education funding has on advancing girls' education. By integrating gender considerations across programs, we have the potential to transform gender norms and achieve equality for all learners in a scalable and sustainable manner. Promoting gender equality in education remains a top priority in both of our basic education goal areas. For example:

- Reading programs often include teacher training activities which are designed to ensure that teachers provide equitable treatment to boys and girls and strive to make schools safe places for all learners. Additionally, development of teaching and learning materials are often included in reading programs with the specification that depictions of males and females should promote positive gender norms. Community engagement activities conducted within reading programs include a special emphasis on ensuring that girls have equal access to and support for education from parents and the community at large.
- Programs in crisis or conflict environments emphasize access to quality education for marginalized populations—significant portions of which are women

and girls. Program objectives under this goal include increasing protective factors for women and girls while they pursue education in these fragile environments. This often includes engaging policy makers, local authorities and male leaders to ensure women and girls have equitable access to education.

USAID's reading programs work with all students attending selected grades in program target areas. In many countries, this approach means working with comparable numbers of boys and girls. And while current global participation rates indicate considerable improvement in gender equity in recent years, showing no statistical difference in participation, these global numbers mask differences at the country and regional level. Reading interventions are designed to produce skill gains for both boys and girls, regardless of the baseline or starting point before interventions begin. The gender differences in reading skills vary by context and language, but whatever the circumstances, USAID interventions will focus on improving reading skills among all children.

On the measurement of our goal on equitable access to education in crisis and conflict environments, we know that in 2010 about 61 million children of primary school age and 70 million of secondary school age were out of school. Approximately half of those of primary school age and of secondary school age were girls. There are, of course, greater gender differences in some countries. In Afghanistan, for instance, the primary gross enrollment ratio for girls is only around 69 percent of that for boys, indicating a substantial gender gap. Particularly with this goal—which focuses on countries and regions of countries that are fragile and conflict-affected—the proportion of girls versus boys provided with improved access will depend on the specific target areas and types of programs undertaken.

On related aid programs, it should be noted that our youth programs cut across program areas in education, health, social services, and assistance for especially vulnerable children. In fiscal year 2012, U.S. assistance included an estimated \$149 million for youth development programming. We will continue our support for children and youth, integrating our programming for maximum impact. For example, our health and nutrition activities—which reached nearly 12 million children last year—will continue to be linked with the Feed the Future Initiative and evidence-based interventions that focus on the prevention of undernutrition through integrated services.

Question. I was pleased to see the attention this year's budget gives to issues of gender-equality and women's empowerment. I am particularly interested in the proposed "Full Participation Fund," and other cross-cutting efforts to promote women's empowerment. Can you speak to how the Full Participation Fund will be implemented? What metrics will you use to ensure we're achieving our goals of supporting women's empowerment in our foreign policy?

Answer. The Quadrennial Diplomacy and Development Review (QDDR) and Department of State Policy Guidance on Gender Equality call for the full integration of the promotion of gender equality in all operations, diplomacy, and programming. The Full Participation Fund will support innovative efforts by bureaus and embassies to implement these policies, including the integration of gender into strategic planning, gender-focused diplomatic or foreign assistance initiatives, or the strategic evaluation of gender integration efforts.

Initiatives supported by the Full Participation Fund will serve as models of gender integration in our diplomacy and foreign assistance. Programs and metrics of successful initiatives will be shared with other bureaus and embassies and so lessons learned can be scaled and replicated across our work. The Office of Global Women's Issues, with a team of experts from across the Department and USAID, will monitor and evaluate results and make recommendations to improve performance.

Question. The Obama administration has pledged that efforts to empower women and girls will be integrated into all aspects of our foreign policy—from peace building and humanitarian relief to food aid and public health—how will you work to ensure that this integration goes beyond public commitments to concrete implementation? How will you measure this and evaluate this integration?

Answer. The Obama Administration has made advancing the status of women and girls a central element of U.S. foreign policy, as articulated in the 2010 Quadrennial Diplomacy and Development Review and the Department of State's Policy Guidance on Promoting Gender Equality. Further, on January 30, 2013, President Obama signed a Presidential Memorandum on gender equality, ensuring that an Ambassador-at-Large for Global Women's Issues will continue to play a leading role in U.S. efforts to advance women's rights around the world.

The Department of State's Office of Global Women's Issues ensures that the rights of women and girls are fully integrated into the formulation and conduct of United States foreign policy. Working with the White House, USAID, the Department of

Defense, and other agencies, as well as with civil society and the private sector, the Department of State has launched multiple and wide-ranging global initiatives to promote women's social and economic development, integrate women into peace and security building, address and prevent gender-based violence, and ensure women's full participation in civic and political life.

As the implementation of the QDDR and Department of State Policy Guidance on Gender Equality progresses, the Office of Global Women's Issues, with a team of experts from across the Department and USAID, will monitor and evaluate results and make recommendations to improve integration.

QUESTIONS SUBMITTED BY SENATOR FRANK R. LAUTENBERG

Question. A legacy of this administration has been its focus on the advancement of women and girls as a core principle in American foreign policy.

—How do family planning programs support our efforts to advance gender equality and women's empowerment and achieve our broader global health goals?

—I strongly supported President Obama's rescission of the Mexico City Policy, also known as the Global Gag Rule, upon taking office. As you know, House Republicans have attempted to bring back this damaging policy several times over the last 2 years. What impact would a reinstatement of the Global Gag Rule as a legal requirement have on maternal mortality and women's health?

Answer. Family planning is important because it saves lives. This year nearly 7 million children will die before they turn 5. Recent USAID analysis found that by preventing closely spaced births, family planning could save the lives of more than 1.6 million children under 5 annually. Last summer, the Lancet reported that 342,203 women died of maternal causes in 2008, but that contraceptive use averted 272,040 maternal deaths (44 percent reduction). Without contraceptive use, the number of maternal deaths would have been 1.8 times higher than the 2008 total.

Research clearly shows that voluntary family planning programs improve health, reduce poverty, and empower women. Family planning is one of the most successful development interventions of the past 50 years and one of the strongest and most cost-effective investments available. Family planning can reduce the economic burden on poor families and allow women more time to work outside the home, which leads to increased family income. And with more income, families can invest in health, food, and education for each child. Families can also invest in their own livelihoods, and break the cycle of poverty.

As President Obama recently said, "Women should be allowed to make their own decisions about their own health. It's a simple principle." Millions of women and young people in developing countries want to avoid pregnancy but lack access to modern forms of contraception. Family planning programs are a sound economic investment that help individuals to help themselves, especially to protect themselves from unintended pregnancy and sexually transmitted infections, including HIV. Research demonstrates that when women and young people are in good health they are better able to receive the education and resources they need to provide for themselves, their families, and their futures.

On January 23, 2009, President Obama issued a Memorandum rescinding the Mexico City Policy (MCP), noting that its provisions are "excessively broad and unwarranted [and] . . . have undermined efforts to promote safe and effective voluntary family planning." This is a harmful policy that makes it more difficult for women around the world to gain access to essential information and healthcare services.

Enacting MCP as a legal requirement would damage our efforts to deliver international family planning assistance. Such an action would force the United States to withhold critical assistance from international organizations and non-governmental organizations (NGOs) with expertise, capacity, and proven track records on promoting women's health around the globe. Access to health services, including family planning, is a necessary component to reducing poverty and meeting our broader development goals.

Imposition of the Mexico City Policy on a broad range of programs would severely erode the recent progress made on maternal and child health and access to family planning services. Global estimates indicate that by helping women space births and avoid unintended pregnancies, family planning could prevent 25 percent of maternal and child deaths in the developing world. It is important to recognize that family planning is the most effective way to prevent abortion and unintended pregnancies—numerous studies show the incidence of abortion decreases when women have access to contraceptives.

Since 1973, U.S. law has prohibited the use of U.S. Government foreign assistance to pay for the performance of abortion as a method of family planning or to motivate or coerce any person to practice abortion. The U.S. Government takes compliance with this and other related restrictions very seriously and works with partners to ensure compliance as part of routine monitoring of program implementation.

Question. Last year, Secretary Clinton testified that the administration is continuing to work with the Libyan Government to obtain new information on the Pan Am 103 bombing.

—Is obtaining information on the Pan Am 103 bombing from the Libyan Government still a priority for the State Department?

—What progress has been made in this investigation?

Answer. The investigation into the Pan Am 103 bombing remains open, and we are committed to assisting law enforcement efforts in obtaining and evaluating any new information relating to it. As this is an ongoing investigative matter, I refer you to the Department of Justice for any further details.

Question. I commend you for your recent push to move the stalled Middle East peace process forward. You recently said the administration will be working to “create the conditions for peace” between Israel and the Palestinians.

—Why are efforts to lay the groundwork for direct negotiations between the Israelis and Palestinians of strategic importance to the U.S. and the international community?

—What next steps do you envision the U.S. taking to “create the conditions for peace” in the Middle East?

Answer. As you know, I have been working hard to follow up on the President’s efforts to re-engage the parties and am dedicated to helping to end this conflict. The status quo between the Palestinians and Israelis is unsustainable. Despite the difficulties that lie ahead, we remain committed to doing our part to help the parties return to direct negotiations.

I am personally involved and fully engaged with both sides, as well as with governments within the region and across the globe with a stake in Middle East peace. Since taking office, I have met privately and separately with the parties to get a better sense of where they are, to find out what is possible, and to find common ground to end this conflict. In my engagement, Israeli and Palestinian leaders have shown a seriousness of purpose and a commitment to explore how we can actually get to direct negotiations.

We are working on an economic initiative for the Palestinians. The U.S. Government, through USAID, is already the leading provider of bilateral economic assistance to the Palestinian people. This initiative will complement the work that we have underway across a variety of sectors. We want to consult with the many interested parties prior to making any final decisions.

There will be a heavy emphasis on leveraging the private sector, and we do not envision the need for any additional U.S. budgetary resources for this initiative. As soon as decisions are reached, we will of course brief Congress on the details.

Economic efforts are not a substitute for the political track. We remain focused on creating the conditions needed to re-establish productive negotiations between the parties with the goal of two states for two peoples living side-by-side in peace and security.

Question. The gun lobby has strongly opposed the recent treaty adopted by the U.N. General Assembly regulating the international trade in conventional weapons—aligning the lobby with the same position as North Korea, Iran, and Syria.

—What impact will this treaty have on our ability to reduce the illicit trade of conventional arms and prevent these weapons from falling into the hands of terrorists and criminals intent on using them to harm innocent civilians?

Answer. The Arms Trade Treaty will establish a common, worldwide standard for the national regulation of the international trade in conventional arms and will require all States Parties to develop and implement the kind of national export control systems that the United States already has in place. This will overtime, help reduce the risk that international transfers of conventional arms will be used to carry out the world’s worst crimes, including terrorism, genocide, crimes against humanity, and war crimes.

At the same time, the treaty preserves the principle that the international conventional arms trade that allows nations to acquire the arms they need for their own security is, and will continue to be, a legitimate commercial activity.

Question. The 38th Assembly of the International Civil Aviation Organization (ICAO) is convening in September 2013. This presents an important opportunity to secure a global approach to reducing global warming emissions from aviation.

—What steps is the State Department taking to ensure the adoption of a binding, market-based agreement to reduce greenhouse gas emissions from aviation at the upcoming ICAO Assembly?

Answer. The U.S. has sought to play a constructive role in seeking global agreement on a package of measures to reduce greenhouse gas emissions from the aviation sector that can be reflected in the 2013 International Civil Aviation Organization (ICAO) Assembly Resolution. ICAO has a long history of successfully developing environmental standards and policies for international aviation community. We are working hard to produce a successful outcome at the upcoming Assembly.

Question. The fiscal year 2014 budget request includes \$580 million for a Middle East and North Africa Incentive Fund to support Arab Spring countries in their efforts to undertake democratic and economic reforms.

—How will the administration use these funds to promote the inclusion of women in political processes and government in the region?

Answer. Recognizing that the people of the Near East region will ultimately shape their own futures, the United States must be engaged in support of our values and interests there. The President was clear in his speech in Cairo that equality is intricately linked to prosperity; this is a vision that we strongly support in countries going through transition, and it will play an important role in the Middle East and North Africa Incentive Fund (MENA IF). Women around the world must have meaningful input in political processes, representation in government, and equal rights under law. This must include women in the Middle East and North Africa, if countries in that region are to achieve their potential and be economically and politically stable. The U.S. Government regularly meets with women in civil society, and with women entrepreneurs, teachers, politicians and other women in the region to hear their concerns and priorities so that we can fully integrate them into our policy and programming efforts. We regularly encourage political parties, governments, police and security forces, religious leaders, and other civil society groups to include more women in their organizations and to hear from women's rights advocates. We seek to engage actors from across society, both secular and religious who wish to build a peaceful and prosperous future consistent with democratic values.

Over the last 2 years, the United States has mobilized over \$1.8 billion in response to the changes sweeping the Arab world. The Department will use the Middle East and North Africa Incentive Fund (MENA IF) to support transitions and promote political and economic reform. The MENA IF will enable delivery of new assistance with incentives and opportunities for civil society, including areas of specific impact for women and girls, and provide flexibility to respond to emerging demands and opportunities.

The MENA IF, as a stand-alone account and significant investment, provides a clear signal of the United States' continuing commitment to the region and transition governments. As requested, two-thirds of the MENA IF funding will focus on democratic governance and economic reforms, based on incentives and with conditions that will be laid out clearly and publicly through bilateral agreements. Further, the Department will use the fund to engage governments on reform efforts that would yield high-impact projects and activities tied to an economic and governance reform plan. The Department will include gender considerations in all reform plans negotiated.

The MENA IF is designed to incentivize reform efforts across government institutions, including political, economic, and security sector policies. The MENA IF will focus on developing sustainable democratic governance structures that support broad inclusion, including women and girls, in both political and economic institutions.

Question. I am pleased the Obama Administration has made a strong financial commitment to assist Jordan in dealing with the growing number of Syrian refugees coming across the border. What additional measures are you taking to assist Jordan in its support of Syrian refugees, as well as to support the government's domestic reform efforts, to help ensure future stability there?

Answer. We are closely following refugee outflows from Syria into neighboring countries and the strains they impose on governments and host communities. The pace refugee outflows is alarming—the numbers have risen from 66,000 a year ago to over 1.3 million today. The generosity of neighboring countries is inspiring, but the capacities of local governments, families, social services, and civic organizations are severely strained as they seek to accommodate this flood of arrivals. We are working to provide assistance to host communities in Jordan where refugees are living. These cities and villages are holding school in double-shifts, coping with a shortage of hospital beds, and struggling to provide public services while suffering from growing tensions as a result of hosting large numbers of refugees.

The United States is providing nearly \$385 million in overall humanitarian assistance to address the Syria crisis and more will follow. Of this total, nearly \$58 million has been directed to partners working in Jordan to assist refugees with shelter, food, healthcare, basic necessities, education and protection. In our discussions with humanitarian organizations that we fund, such as the United Nations High Commissioner for Refugees (UNHCR), we have urged them to identify and further target the most vulnerable, meeting the needs of the majority of refugees who live outside of camps, and incorporating more robust support for over-burdened host communities. We have also discussed their respective contingency plans, including: staging humanitarian supplies; potential aid shortages; health and weather challenges; and major incidents that could result in large numbers of refugees.

We are looking at additional ways to boost support for host countries beyond emergency humanitarian assistance, so that host communities can continue to support refugees fleeing violence in Syria. The U.S. Government is utilizing \$20 million from the Complex Crisis Fund to support water conservation and small scale municipal water infrastructure renovation activities in the northern governorates where the majority of Syrian refugees reside in host communities. Additionally, \$10.7 million will be used to fast-track expansions of up to 20 schools receiving large numbers of Syrian students and launch new remedial math and reading programs to equalize all students' basic skills. These funds will also help Jordan's Ministry of Education scale up teacher training and procure materials for schools in impacted communities so they can better accommodate vulnerable Syrian students. A new \$52 million multi-year rapid-response civil engagement project will address Syria-related issues at the community level, ranging from employment, to housing costs, to service delivery. An additional grant of \$700,000 will support an awareness-raising campaign to reduce early marriage, human trafficking, child labor and gender-based violence. We strongly support additional international aid to host communities to include health, education, energy, and water to minimize the burden of hosting up to one million Syrian refugees by the end of the year.

As the President announced on March 22, 2013, the U.S. Government is providing an additional \$200 million cash transfer to Jordan to reduce the financial strain on the sectors directly affected by refugees. As authorized by recent legislation, the U.S. Government is moving forward with negotiating loan guarantees for Jordan. These actions, in coordination with Jordan's \$2.1 billion International Monetary Fund program and the reforms it requires, directly support stability in Jordan.

The U.S. Government is committed to continuing to help Syria's neighbors, including Jordan, as they cope with refugee inflows. It is critical to regional political stability to keep borders open to all those fleeing the violence in Syria. We believe this international aid will demonstrate that the countries hosting the refugees are not in this alone.

Question. There is deep concern that the humanitarian situation in Syria and its neighboring countries could be exacerbated by continuing sectarian violence if President Assad's regime falls. How is the administration working with regional partners to prepare for a post-Assad Syria, and does this planning include determinations on humanitarian needs?

Answer. The United States Government seek to hasten an end to the violence in Syria and promote a political transition from the Asad regime to a government that protects the rights of all its citizens and serves as a reliable partner for the U.S. and international community in our efforts to counter terrorist activity, prevent the proliferation of chemical weapons, and promote regional prosperity and stability.

To support our objectives, we are focused on six lines of effort.

- We are increasing pressure on the regime, through comprehensive sanctions and diplomatic isolation, achieved primarily through coordination with the 80-country strong Friends of the Syrian People group.
- We are helping the moderate opposition to build its capacity and credibility, especially in liberated areas, and to convince Syrian minority communities that their interests will be secure in a post-Asad Syria. We see this as necessary to make a political transition viable and sustainable.
- We are taking necessary steps in cooperation with our allies to prevent terrorists from using Syria to threaten U.S. interests, or those of our allies.
- We are providing nearly \$385 in humanitarian assistance to support conflict affected persons in need both inside Syria and in the neighboring countries, including in Jordan, Turkey, Lebanon, Iraq, and Egypt. The U.S. is the single largest donor of humanitarian assistance.
- We are engaging with partners to prepare for a post-Asad Syria including economic recovery, accountability and reconciliation, security stabilization, and preservation and reform of institutions, as Syria emerges from this conflict.

—We have been engaged in prudent military planning with our close allies to be prepared for a range of contingencies.

Our humanitarian assistance anticipates that the current caseload of refugees and internally displaced persons may not be able to return home for a significant period of time. Post-Asad, we are prepared to work with the new government to prevent all forms of violence and reprisals and to secure continued humanitarian access to help the conflict-affected. In addition, we are working with our humanitarian partners and regional governments to prepare for the possibility of reverse refugee flows in the event of heightened sectarian violence.

Question. In 1989, I wrote a law—known as the Lautenberg Amendment—that has helped hundreds of thousands of victims of religious persecution escape and come to the U.S. to live in freedom. How has this law helped religious minorities from across the globe, and particularly Iran, flee persecution?

Answer. The Lautenberg Amendment has helped hundreds of thousands of religious minorities, mostly from Russia and Eurasia but also from Iran, resettle as refugees in the United States under a reduced evidentiary standard for establishing a well-founded fear of persecution. This was particularly true in the 1990s, when U.S. arrivals of religious minorities from Russia and Eurasia averaged 35,000–40,000 annually. In recent years, U.S. arrivals of religious minorities from Russia and Eurasia have averaged 1,000–1,200 annually, as both applications and approval rates are down significantly. Also in recent years, the United States has admitted some 2,500 religious minorities annually from Iran who benefit from the reduced evidentiary standard of Lautenberg and who are mostly processed for U.S. resettlement from Austria and Turkey.

QUESTIONS SUBMITTED BY SENATOR MARY L. LANDRIEU

Question. Do you feel that allowing international adoptions to continue to dwindle is an accurate and effective implementation of U.S. policy or of the wishes of the American people?

Answer. The Department of State strongly supports intercountry adoptions as a critical child welfare measure that can provide children the opportunity to grow up in a loving, protective, and permanent family environment when a suitable domestic adoption or extended family care is not available—and we know that this is in line with the wishes of the American people. U.S. citizens also understand the importance of ethical and transparent processes to protect the fundamental rights and safety of all parties involved in an adoption: the prospective adoptive parents, the biological parents, and, most importantly, the child. To protect those fundamental rights and the safety of the parties involved, intercountry adoptions must be a part of a well developed child welfare system, on the part of both the receiving country and the country of origin. For this reason, the Department promotes implementation of ethical, transparent adoption processes in countries of origin, and advocates for improvements in countries' child welfare systems so that states of origin can better meet children's needs. We also support the adoption of the more than 100,000 children in the United States in need of loving homes by families residing in other countries as appropriate when no suitable domestic placement is available.

The numbers do not tell the entire story. Many trends contribute to the decline in the number of children adopted abroad in recent years, including country of origin policy changes and the economic recession. We recognize that the actions of a few countries with high volumes of adoptions may radically influence the number of children available for adoption from year to year. We can state unequivocally that one factor has remained constant through the decline in numbers: the Department's dedication to and support of intercountry adoption as an appropriate solution to find permanent homes for children. The Department has not wavered from the commitment and responsibility to work with our intercountry adoption partners to achieve the highest standards of ethical practice and transparency. While we must—and do—devote great energy to improving conditions for adoption in these countries, our work with the majority of countries of origin contributes to a more stable picture of intercountry adoption. Over the past several years, more small- and middle-volume countries have shown stable or growing adoption trends than declining ones.

Question. Would you characterize the Department of State's role as Central Authority as successful, and if so, on what basis?

Answer. The Department of State has been successful in its role as Central Authority. We take our responsibilities under the Hague Adoption Convention (the Convention) seriously. Like our partner countries, we believe the Convention provides the best framework for ethical, transparent intercountry adoptions that serve the interests of children and parents alike. We strive to cooperate with the Central

Authorities of other countries, whether countries of origin or receiving countries, to protect children and achieve the goals of the Convention. Among these Convention goals are placing paramount priority on the best interests of children; safeguarding children against abduction, sale, and trafficking; ensuring cooperation between and within countries; and ensuring the automatic recognition of Convention adoptions in all countries party to the Convention. We have worked with our partners to remove obstacles to these goals where they appear.

We report to countries of origin the experiences that U.S. prospective adoptive parents have in completing their adoptions and look for ways to improve cooperatively that experience and increase the protection of all the adoption parties. The Department has worked extensively to respond to justified inquiries about particular adoption situations. Those efforts are complex, as they often involve multiple jurisdictions and agencies, and the interplay between local, State, and Federal law.

We work closely with our accrediting entity, the Council on Accreditation (COA), and two events in particular in the last year have highlighted the effectiveness of this relationship. First, the transition from two accrediting entities to one as the Colorado Department of Human Services ceased its role as an accrediting entity was entirely seamless. Second, the passage of the Universal Accreditation Act (UAA) will have a significant impact on COA's workload. As a result of our close working relationship, COA has been able to marshal its resources appropriately and is prepared and able to deal with that significant change. In conjunction with COA, we have worked to minimize the opportunities for undue enrichment as a result of inter-country adoptions. The recent passage, with your support, of the UAA will continue to expand this important task.

As successful as we have been in executing our role as the Central Authority as defined in the Convention, the Department has taken an expansive view of our role. We actively describe the benefits of the Convention to non-partner countries and help interested states develop action plans. We encourage implementation of the necessary procedures before the Convention enters into force and help to minimize the negative impact when the Convention enters into force for a country before it has fully implemented the necessary legal framework and procedures. We work closely with the Hague Permanent Bureau, help to develop guidance, and frequently meet with partner countries and the Permanent Bureau to advance the central goals of the Convention.

With this expansive view of our role as Central Authority in mind, we have also launched four initiatives that promote ethical and transparent adoptions around the world:

(1) UAA: The UAA extends the protections provided by the Intercountry Adoption Act to children, adoptive parents, and birth parents in the orphan process by requiring the same accreditation of adoption service providers handling orphan cases as is required of adoption service providers in Convention adoptions. The Department is working closely with USCIS to implement the UAA in order to help put a stop to the illicit activities that threatened the best interests of children.

(2) Launching and expanding the Pre-Adoption Immigration Review (PAIR) program: We believe reviewing the immigration eligibility of a potential adoptive child before an adoption decree is finalized, as is done in Convention cases, will mitigate some of the problems presented in the current system in place for countries not party to the Convention. Together with USCIS, the Department has developed the PAIR program. Under PAIR, a preliminary review of the child's likely immigration eligibility is made before the adoption decree, while the final decision on an adopted child's visa eligibility will not be made until the visa interview. This will reduce the number of cases in which adopted children are found ineligible for immigration much later in the process. Implementing PAIR in orphan process states will increase predictability for those involved in the adoption process. The PAIR program was first implemented in Taiwan on April 1, 2013, and will soon be implemented in Ethiopia.

(3) Promoting adoptions of children in the U.S. foster care system: Since the Convention entered into force for the United States, families in other Convention states have expressed interest in adopting children from the United States. The Department has an extensive outreach effort underway to address concerns felt by some child welfare workers about placing children abroad. As a result, the number of outgoing adoptions from the U.S. foster care system has increased. We find this development encouraging because such adoptions may lead to homes for some of the over 100,000 children in the United States awaiting a permanent home.

(4) Encouraging gradual implementation of the Convention before it enters into force: As the Convention is the most effective tool to protect the parties to an inter-country adoption, we strongly encourage countries to first implement the necessary legal framework and procedures to uphold the Convention's standards and prin-

ciples before becoming a party to the Convention. We are working with countries to provide technical and training/resource assistance to ensure a smooth transition and continuous adoption processing as they join the Convention. As part of our ongoing diplomatic efforts, we regularly engage with countries that are not party to the Convention about the importance of Convention principles and its framework of safeguards.

Question. What is your recommendation as to how we can encourage the Guatemalans to finalize these 112 adoption cases, once and for all?

As conversations with other State Department officials have failed to produce results, will you personally address this issue with the President of Guatemala?

Answer. When the Hague Adoption Convention entered into force for Guatemala on January 1, 2008, adoptions ceased, leaving thousands of adoption cases incomplete. Since that time, the Department of State and the U.S. Embassy in Guatemala continue to engage the Government of Guatemala at every appropriate level, both here in Washington and in Guatemala, to urge resolution of all these cases in the best interests of the children. As of May 14, 2013, approximately 100 pending transition adoption cases remain unresolved.

Recent activity by the Government of Guatemala suggests momentum is building for resolution of these final cases. Through constant effort by the Department and the Embassy, the Government of Guatemala has invited the Embassy to be a member of the Mesa Tecnica at which cases are considered by the relevant Guatemalan authorities. The Embassy attends this meeting twice each week and is able to monitor and encourage forward progress toward resolution.

From May 15–17, in her fourth trip to Guatemala, Special Advisor for Children's Issues Ambassador Susan Jacobs and USCIS Director Alejandro Mayorkas met with Guatemalan Government officials to press for resolution of the cases still pending since the last joint USCIS-Department of State meetings in Guatemala in October 2012. Their visit was designed to maintain the momentum in completing these cases following recent administrative and personnel changes in the Government of Guatemala, provide Ambassador Jacobs an opportunity to meet some of the new officials, and to underscore that resolution of all these cases in the best interest of the children remains a top priority for the United States. Our strategy of constant engagement and encouragement is drawing us closer to the goal of finding permanent homes for these children.

Question. On December 19th, 2012, the U.S. Government Action Plan for Children in Adversity, a Framework for International Assistance, was launched at the White House. This document represents the first overarching policy statement in which appropriate and permanent family care has been explicitly set forth as a core objective of U.S. foreign assistance policy. Objective 1 of the Plan calls for strong beginnings for children. To that end, we were pleased to see the Maternal and Child Health account grow to \$680 million, 12.3 percent above fiscal year 2012 in the Pre-Budget Report (PBR). However, Action Plan objectives 2 and 3 call for a family for every child (with a particular focus on getting children out of institutions and into family environments) and protection for children.

—In the President of the United States (POTUS) budget for fiscal year 2014, the Vulnerable Children account falls to \$13 million, 26 percent below fiscal year 2012. How can the Action Plan present a coordinated approach if key accounts used for collaboration to achieve all three outcomes are cut?

Answer. Working in more than 100 countries, U.S. Government international assistance to children in adversity is funded through seven departments and agencies—the U.S. Departments of Agriculture, Defense, Health and Human Services, Labor, and State; the Peace Corps; and the U.S. Agency for International Development. With its significant investments in international development, technical expertise and research capabilities embedded within key agencies, and diplomatic outreach, the U.S. Government is well positioned to lead and mobilize a strategic global agenda for children in adversity.

The Vulnerable Children category is funded within the Global Health Programs—U.S. Agency for International Development (USAID) account and encompasses two long-standing programs—the Displaced Children and Orphans Fund (DCOF) and Blind Children. The historical funding level is \$15 million: \$13 million for DCOF; and \$2 million for Blind Children. However, in fiscal year 2012, DCOF's budget was increased by \$2 million, to \$15 million, to implement a special program that you referred to as the Families First Initiative, and Blind Children was increased by \$500,000, to \$2.5 million. The fiscal year 2013 Continuing Resolution maintains the fiscal year 2012 total of \$17.5 million for these two programs, which is subject to the sequestration.

The fiscal year 2014 Global Health budget prioritizes programs that directly contribute to achieving major improvements in health outcomes in three areas: saving

the lives of mothers and children; creating an AIDS-free generation; and protecting communities from other infectious diseases. These programs also directly contribute to achieving the principal objectives of the Action Plan for Children in Adversity—building strong beginnings, putting families first, and protecting children.

Question. The National Action Plan for Children in Adversity calls for the State Department to “advocate” for implementation of the Hague Convention on Intercountry Adoption with non-Convention partner countries and to “encourage” Convention partners to improve compliance with the Convention. Virtually all other outcomes noted in the Action Plan call for the United States Government (USG) to support, implement, strengthen or otherwise provide a substantive response in achieving the desired outcomes, including permanent solutions for children living outside of families, such as family preservation, reunification, kinship care, domestic or international adoption. Other than simply encouraging partner countries to utilize intercountry adoption under the auspices of the Hague Adoption Convention, how will the Department of State support partner countries in building the capacities and competencies needed to implement intercountry adoption?

—Currently, intercountry adoption is the responsibility of the Office of Children’s Issues within the Bureau of Consular Affairs. Other than advocacy to join the Hague Adoption Convention, that office does not have the authority or functional ability to provide substantive support to partner or prospective partner countries in the area of intercountry adoption. Similarly, given the Bureau of Consular Affairs’ legislative mandate, the Office of Children’s Issues does not have the authority to assist partner countries in developing domestic adoption or kinship care as means of moving children out of institutions. How will the Department of State remedy the obvious discrepancy between the Action Plan and the Office of Children’s Issues ability to implement it?

Answer. Encouraging countries to join The Hague Adoption Convention (Convention) is only one component of the Department’s comprehensive approach to intercountry adoption. We assist any government willing to work with us to help them implement the legal and regulatory framework necessary to ensure that intercountry adoptions meet Convention standards. This work involves providing countries with technical and legal expertise and guidance to help ensure full Convention implementation so that intercountry adoptions can proceed. We also seek to ensure that Convention measures are compatible with U.S. intercountry adoption procedures and immigration laws so that intercountry adoptions by U.S. prospective adoptive parents result in successful immigration of children to the United States.

The Department is actively engaged in this comprehensive process in numerous countries. Through our embassies, we look for opportunities to assist with implementation of intercountry adoption procedures that are aligned with the principles of the Convention. We tailor our approach to each country in order to best address the specific challenges and capitalize on the opportunities that individual countries present. A few examples are illustrative of our tailored approaches.

Our efforts in Lesotho represent a true success story for the Department’s efforts to promote Convention implementation prior to, and immediately following, the Convention’s entry into force for individual countries. The Government of Lesotho acceded to the Convention in the fall of 2012, and the Convention entered into force on December 1, 2012. At the time, the Government of Lesotho elected to continue a suspension on intercountry adoptions while it focused on implementing procedures that would fulfill their obligations under the Convention. Extensive training, technical assistance, and coordination efforts by our staff at the U.S. Embassy in Maseru helped ensure the Government of Lesotho was able to finalize its Convention implementing legislation, establish corresponding regulations and procedures, complete local training for officials at all government levels who would be responsible for carrying out the new procedures, and conduct public outreach throughout the country in just a few months. When Lesotho lifted its suspension on February 28, 2013, the Department was able to immediately announce that intercountry adoptions from Lesotho to the United States may proceed under the Convention.

As another example, our engagement with the Haitian Government on adoptions is achieving results. With sustained and focused U.S. support and technical assistance, and in coordination with other nations and international organizations, Haiti has committed to joining the Convention, signed it, and undertaken broad regulatory reforms to strengthen its adoption authority. The Haitian Senate recently passed legislation to implement procedures that meet Convention standards. We expect the Haitian Chamber of Deputies to consider the bill when it returns from recess in mid-June.

Another example of our focused engagement is Cambodia, which joined the Convention in 2007. In January 2013, Cambodia lifted its own, self-imposed intercountry adoption suspension. The U.S. Embassy in Phnom Penh; the Bureau of Con-

sular Affairs' Office of Children's Issues; and the Special Advisor for Children's Issues, Ambassador Susan Jacobs, continue to provide critical support to the Government of Cambodia on adoption issues. For example, our efforts in Cambodia have included enabling international training exchanges between central authorities with assistance from the Permanent Bureau of the Hague Conference on Private International Law. The Department is closely monitoring Cambodia's implementation of its new Convention system and is ready to provide further assistance to the Cambodian Government.

It is necessary and important work that the Department of State undertakes in its efforts to encourage countries to effectively implement the Convention before joining it, so that they may conduct ethical, safe, and transparent intercountry adoptions as an integral part of a well-functioning child welfare system. Well-functioning child welfare and adoption systems sustain the Convention's many safeguards, including subsidiarity, proper consent without inducement, the prevention of improper financial gain, accreditation and authorization of adoption bodies, and cooperation and communication between central authorities. These safeguards enable countries to effectively meet the Convention's core goal—to protect children, birth parents, and adoptive parents.

Question. President Reagan once said, "The family has always been the cornerstone of American society." And President Obama has recently been quoted as saying, "Of all the rocks upon which we build our lives, we are reminded today that family is the most important."

The National Action Plan on Children in Adversity, specifically Objective #2 represents a unique opportunity for the Department of State to promote the value that America places on the family. How will the Department of State use the Action Plan to ensure that U.S. foreign assistance reflects and promote the value of safe permanent family care?

Answer. The Department of State undertakes a wide range of diplomatic and programmatic activities which aim to reunite families and keep families together in keeping with objective 2 of the National Action Plan on Children in Adversity, "Putting Family Care First." The State Department is listed as an action entity in each of these three outcome areas. Within various offices at DOS, such as the Bureau for Population and Refugee Migration (PRM) and the Office to Monitor and Combat Trafficking in Persons (J/TIP), we support partners to reunite families separated by conflict or trafficking, and put in place measures to prevent such separation from happening in the first place. In addition, family and systems strengthening programming under the President's Emergency Plan for AID Relief (PEPFAR) prevents family separation from happening by strengthening families, and supports family placement by strengthening systems to respond to children outside of family care.

PEPFAR will continue to directly support objective 2 in the National Action Plan on Children in Adversity "Putting Family Care First." PEPFAR, primarily through the U.S. Agency for International Development (USAID), is promoting family strengthening and child welfare systems strengthening at scale in at least 17 countries. These complementary efforts not only keep children in their families of origin by preventing separation in the first place, but they also prepare families to also be able to take in children who have lost parents, thus providing safe and permanent family care. As one example, household economic strengthening, which prevents the separation of children from families due to the heavy economic burden placed by HIV, is a central piece of PEPFAR programs. PEPFAR programs also support parent skills training, support for cash transfers, and psychological support for children and caregivers, all of which strengthen families to be able to provide safe and permanent care for children.

PEPFAR is also actively promoting child welfare systems strengthening, particularly in the area of human resources where child welfare workers play a key role. In South Africa, PEPFAR Orphans and Vulnerable Children (OVC) projects have supported thousands of community volunteers and has assisted the ministry in hiring 10,000 child and youth care-workers by 2017. In Uganda 1,150 Community Development Officers and probation officers completed training with University accredited qualification in child protection and 4,700 parishes in 72 districts planned and implemented activities for vulnerable children, reaching 66,000 children with child protection, legal and psychosocial services. These efforts directly contribute to the goal of safe and permanent family care for vulnerable children reflected in objective 2.

PEPFAR's investments reduce the level of institutionalization of children affected by AIDS and also strengthen the system for child welfare so that human resources and policies are available and appropriate to respond to children who are at risk of falling outside of family care or children already outside of family care (COFC). Education, training and certification of child welfare workers, as well as advocacy

to expand the workforce, are extremely important to ensuring permanency for children. In many countries, projects also specifically address COFC, such as street children and children in institutions, and these elements are integrated into the broader systems strengthening and family strengthening that is part of all our programs. Through this integration these more specific efforts are made even stronger and more effective for COFC.

Question. How are you working to ensure that our efforts to support women and girls are being implemented in a cross-cutting and holistic way?

Answer. The Obama Administration has made advancing the status of women and girls a central element of U.S. foreign policy, as articulated in the 2010 Quadrennial Diplomacy and Development Review and the Department of State's Policy Guidance on Promoting Gender Equality. Further, on January 30, 2013, President Obama signed a Presidential Memorandum on gender equality, ensuring that an Ambassador-at-Large for Global Women's Issues will continue to play a leading role in U.S. efforts to advance women's rights around the world.

The Department of State's Office of Global Women's Issues ensures that the rights of women and girls are fully integrated into the formulation and conduct of United States foreign policy. Working with the White House, USAID, the Department of Defense, and other agencies, as well as with civil society and the private sector, the Department of State has launched multiple and wide-ranging global initiatives to promote women's social and economic development, integrate women into peace and security building, address and prevent gender-based violence, and ensure women's full participation in civic and political life.

Question. How will you and your Department measure these efforts to integrate women's empowerment across development sectors?

Answer. As the implementation of the Quadrennial Diplomacy and Development Review (QDDR) and Department of State Policy Guidance on Gender Equality progresses, the Office of Global Women's Issues, with a team of experts from across the Department and USAID, will monitor and evaluate results and make recommendations to improve integration.

Question. As indicated during yesterday's hearing, will your staff at the USAID/Department of State take a look at the Malala Yousafzai Scholarship Act (S. 120), introduced by Senator Boxer and myself, and let us know their thoughts? <http://www.govtrack.us/congress/bills/113/s120/text>

Answer. We believe that the intention of the Malala Yousafzai Scholarship Act, which is to expand educational opportunities for women in Pakistan, is notable and essential to our overall development goals and priorities in Pakistan and the region. The U.S. Government is committed to supporting women's full social, political and economic empowerment in Pakistan, and specifically to (1) improve their access to education and economic opportunities; (2) strengthen gender equality; (3) prevent violence against women and girls, raise awareness of women's legal rights, and improve access to justice; and (4) increase women's access to healthcare and family planning.

Enrollment rates for girls in Pakistan lag behind the rest of its South Asian neighbors. Experts estimate that the primary school enrollment rate for girls stands at around 50 percent—far behind the one for boys, and even lower in rural areas and in the federally Administered Tribal Areas. In response, since October 2009, we reconstructed 40 schools destroyed by militants in Khyber-Pakhtunkhwa, including 17 girls' schools, enabling 8,600 children to return to school. USG support to teacher education programs and training for school administrators and female teachers is helping to strengthen these institutions.

On higher education, the United States has provided over 10,000 local university scholarships since 2009, including a significant number of women. Historically, women comprised 25 percent of scholarship recipients. In order to reach the 50 percent target, USAID is expanding disciplines of study from agriculture and business to a wide variety of fields popular with women including social sciences, engineering, and medical sciences. USAID is also expanding the university pool to include more women's universities. Additionally, Pakistan is the U.S.'s largest-funded Fulbright program. More than 1,000 Pakistani scholars have been brought to the U.S. under the program since 2005.

Question. We've seen impressive progress over the past year in U.S. efforts to help stop Joseph Kony's Lord's Resistance Army (LRA), which as you know is guilty of horrific crimes spanning nearly three decades in central and east Africa. I understand that U.S. investments have helped lead to a spike in defections among Kony's fighters, and the capture or killing of two of the group's top leaders. This is truly encouraging, but we need to see these efforts through to their conclusion. Can you comment about U.S. commitment to sustaining support for efforts to counter the LRA until they succeed in removing Kony and ending this longstanding crisis?

Answer. The governments of the region, in coordination with the African Union, are leading efforts to end the Lord's Resistance Army's (LRA) terror and protect civilians. The United States continues to provide cross-cutting support to bolster these regional efforts, build partner capacity, and assist the communities terrorized by the LRA. We agree that regional forces, with U.S. support, have made significant progress to weaken the LRA and reduce its ability to wreak havoc. Nevertheless, finding and apprehending Joseph Kony and the LRA's remaining leadership is extremely challenging because the LRA operates in one of the world's poorest, least governed, and most inaccessible regions. The United States is committed to continuing to support regional efforts to bring the LRA's top leaders to justice, promote defections from the LRA's ranks, and assist the affected communities.

QUESTIONS SUBMITTED BY SENATOR LINDSEY GRAHAM

Question. With respect to fiscal year 2013 funding and the fiscal year 2014 budget request, what amounts are anticipated for support for the Syrian opposition?

Answer. In April, we announced the intention to provide an additional \$123 million in assistance to the Syrian opposition and Supreme Military Council. Aside from this commitment, given the changing situation on the ground, the continuing humanitarian crisis, and limited resources and authorities, we are not in a position to speculate on the total funding that will be committed to this crisis in fiscal year 2013.

The fiscal year 2014 request does not include any bilateral funding for Syria. The situation on the ground is still very fluid and outcomes are far from certain making it difficult for us to predict what assistance will be needed in the future. However, the fiscal year 2014 request includes a plus up to the Emergency Refugee and Migration Assistance (ERMA) account to enable the U.S. Government to continue to respond to the incredible humanitarian needs in Syria, which are likely to continue into fiscal year 2014.

In addition, the fiscal year 2014 request includes \$580 million for the Middle East and North Africa Incentive Fund (MENA IF) and a request for notwithstanding authority to allow us support ongoing transitions and reforms in the Middle East, including Syria.

Question. What is the U.S. doing to ensure that Syria's chemical weapons do not fall into the wrong hands? Is it U.S. policy that we will take military action if necessary to stop the transfer of chemical weapons to Hezbollah or other terrorist groups?

Answer. We are closely following developments in Syria related to proliferation-sensitive materials, in particular chemical weapons. We continue to actively consult with Syria's neighbors, our allies and partners in the international community, as well as the Syrian opposition to underscore our strong concern about these weapons and coordinate our response. President Obama has clearly stated that the confirmed use or transfer of chemical weapons would change his calculus.

Question. Does the State Department have the lead on addressing humanitarian needs arising from the situation in Syria and on engagement with Syrian opposition? What is the Department of Defense role in the Syria response, and how are interagency efforts coordinated?

Answer. Given the nature of the Syrian conflict, the State Department has the overall lead to coordinate our engagement with the Syrian regime, opposition groups, Syria's neighbors and other states involved in this conflict. State and USAID are working together seamlessly to respond to the overwhelming humanitarian needs of both conflict-affected people in Syria as well as the 1.3 million Syrian refugees in the region, drawing on each agencies' unique authorities and comparative advantages.

The enormity of the Syria crisis necessitates using the full range of our diplomatic and development resources to address humanitarian and other needs. Interagency efforts are coordinated by the National Security Staff (NSS). Deputies and Principals Committees are meeting regularly to discuss various aspects of the Syria crisis, as is the NSS-chaired Interagency Policy Committee (IPC). Additionally, a sub-IPC meets regularly to address humanitarian concerns. The Department of Defense is represented at these meetings as are other interested agencies. Both State and USAID have civilian-military advisors, staff liaisons to the United States Central Command (CENTCOM) and the United States European Command (EUCOM), and humanitarian advisors in the field who work with Department of Defense representatives to provide advice on humanitarian activities.

At the operational level, the Department's Bureau of Population, Refugees, and Migration (PRM) and USAID's Bureau of Democracy Conflict and Humanitarian As-

sistance (DCHA) closely coordinate humanitarian assistance efforts. PRM and DCHA co-lead the Syria Humanitarian Assistance Working Group, bringing together bureaus and offices across the Department and USAID working on the humanitarian response to the Syria crisis. Representatives of PRM and DCHA have often traveled together, for example, representing the United States at the Syrian Humanitarian Forum and Kuwait Donors Conference as well as to neighboring countries hosting Syrians fleeing the violence. USAID's Office of U.S. Foreign Disaster Assistance (OFDA), together with PRM, produces humanitarian public fact sheets and internal updates, and the two bureaus jointly brief Congress, the media, and the Syrian diaspora.

PRM focuses on providing humanitarian assistance to refugees in the region, and, inside Syria, supporting the activities of the United Nations High Commissioner for Refugees, the International Committee of the Red Cross, and the U.N. Relief and Works Agency for Palestine Refugees in the Near East, to assist conflict victims. USAID's OFDA and Office of Food for Peace (FFP) are supporting other international organizations operating inside Syria, such as World Food Program (WFP), World Health Organization and the United Nations International Children's Fund, and are providing food to Syrian refugees in the region through WFP. OFDA and FFP also provide funding to non-governmental organizations (NGOs) to provide humanitarian assistance inside Syria including food, critical health services, basic necessities, water, and sanitation services. On the development side, USAID is providing support to refugee-hosting communities in Jordan and Lebanon in response to the crisis.

The Department of Defense has been engaged in robust military planning for a range of contingencies in the region as well as some humanitarian support. In Jordan, where the U.S. military has a close relationship with the Jordanian Armed Forces (JAF), CENTCOM has deployed additional personnel to support the JAF activities on the southern Syria border, including support to the JAF's humanitarian operations through the use of Overseas Humanitarian Disaster and Civic Aid funds in Jordan.

Question. Given growing uncertainties throughout the Middle East—from Syria to Iran—is the State Department considering additional assistance for Israel in fiscal year 2013, including from within OCO and for the purpose of restoring the \$155 million sequestration cut?

Answer. The Department continues to prioritize Israel in the fiscal year 2014 Foreign Military Financing (FMF) request, seeking \$3.1 billion consistent with our bilateral Memorandum of Understanding (MOU). The fiscal year 2013 Continuing Resolution directs \$3.1 billion of FMF to Israel. However, sequestration will require an across-the-board cut—including to earmarks—to all Foreign Military Financing the United States provides worldwide, including Israel. Therefore, we have allocated Israel \$2.94 billion of fiscal year 2013 FMF assistance. We are confident that, given the overall volume of our security assistance, the cuts associated with sequestration will not translate into any reduction in Israel's operational capabilities and will not threaten Israel's Qualitative Military Edge.

Question. Have the State Department and appropriate Jordanian officials initiated discussions on the renewal of the assistance Memorandum of Understanding?

Answer. We have not initiated conversations with the Government of Jordan on a renewal of our assistance Memorandum of Understanding that expires in fiscal year 2014. Our current focus is to provide immediate support to Jordan to address challenges arising from the Syrian crisis and help Jordan remain on track with critical International Monetary Fund (IMF) reform commitments. In the coming months, the Department will work with the Government of Jordan to determine the best way to leverage our annual assistance program to advance strategic priorities with Jordan. We plan to address this issue in the fiscal year 2015 budget request, and will remain in close consultation with Congress.

Question. Given extraordinary events in Syria and pressing domestic economic needs, is the State Department willing to exceed its budget request for assistance for Jordan in a renegotiated MOU?

Answer. Our annual, planned assistance is designed to address long-term development issues and encourage ongoing reform efforts, with targeted support provided to meet emerging needs. Additional assistance provided on top of our annual program has been our main tool for addressing near-terms needs related to the Syria crisis. Since we have provided additional assistance to mitigate the impact of the ongoing situation in Syria—our total fiscal year 2012 and fiscal year 2013 assistance to Jordan will significantly exceed our annual Memorandum of Understanding (MOU) levels. We will continue providing humanitarian assistance in response to humanitarian needs, and will assess the situation in Jordan and other neighboring countries to determine what additional support is required.

Question. What is the impact of sequestration on Jordan, and how does the State Department intend to reconcile this impact with the significant assistance needs for that country?

Answer. The sequester will have an across the board impact on all accounts and countries, including those with earmarks and MOUs, such as our ongoing assistance commitment to Jordan. Despite these mandatory cuts to our annual assistance program, the Administration is providing additional support to Jordan, including the \$200 million cash transfer and a loan guarantee that the President announced in Amman. The cash transfer will help expand government services to communities hosting Syrian refugees and help offset costs; the loan guarantee will support Jordan's economic development and reform goals. In addition the total amount of humanitarian assistance we have provided, \$58 million has been provided to partners working in Jordan. We are also actively urging other countries to provide additional assistance to Jordan.

Question. What is the status of reconciliation efforts between Fatah and Hamas, and what impact will the resignation of Palestinian Prime Minister Salam Fayyad have on these efforts?

Answer. Although Fatah and Hamas leaders publically reiterate their commitment to reconciliation, there is no indication that the two are any closer to making that a reality. In their latest meeting in Cairo May 13–14, 2013, Fatah and Hamas agreed to form an interim government of “independents,” at the same time as they would announce a date for national elections after 3 months. The creation of this government is based on previous agreements between Fatah and Hamas to install an interim Palestinian Authority (PA) government of “independents” to prepare for elections for Palestinian national institutions. Despite the announcement, national elections resulting in a unity government between Fatah and Hamas still remain unlikely in the near term, due to continuing profound disagreements between the two factions.

We have been clear about the principles that must guide a Palestinian Government in order for it to play a constructive role in achieving peace and building an independent state. Any Palestinian Government must unambiguously and explicitly commit to nonviolence, recognition of the State of Israel, and acceptance of previous agreements and obligations between the parties, including the Roadmap. President Abbas is still the leader of the Palestinian Authority, and he has been committed to these principles.

In regard to Salam Fayyad, he has been a strong partner to the international community and a leader in promoting economic growth, state-building, and security for the Palestinian people. We look to all Palestinian leaders and the Palestinian people to continue these efforts. The aspirations of the Palestinian people and the work of the Palestinian Authority are bigger than any one individual. We are committed to moving forward with economic and institution-building efforts in the West Bank—not as a substitute for—but rather in parallel with our diplomatic efforts. The resignation of Prime Minister Fayyad should not derail this economic initiative or our efforts to promote peace and security.

Question. Given the fiscal credibility and integrity of Prime Minister Fayyad, how does his resignation impact U.S. assistance programs for Palestinians?

Answer. The Palestinian Authority has made tremendous strides in revitalizing the Palestinian economy and reforming its institutions to better serve the Palestinian people. We look to all Palestinian leaders and the Palestinian people to continue these reform and revitalization efforts, and we are committed to moving forward with economic and institution-building efforts in the West Bank. The resignation of Prime Minister Fayyad will not derail our assistance or our efforts to promote peace and security.

Assistance to the Palestinian people is an essential part of the U.S. commitment to a negotiated two-state solution for Palestinians and Israelis, promoting a comprehensive peace in the Middle East. It is in the interest not only of the Palestinians, but of Israel and the U.S. as well, to ensure these efforts continue as they help to build a more democratic, stable, prosperous and secure region.

Question. Are there any indications that Palestinians or entities acting on behalf of Palestinians seek to pursue legal action against Israel at the International Criminal Court? How would such action impact your efforts to secure a peace agreement between the parties, and what would your response to such action be?

Answer. I am not aware of any currently pending efforts by the Palestinians to seek membership as a state in additional international organizations.

I am concerned that pursuit of Palestinian membership as a state in international organizations will drive the parties further apart and risk compromising the efforts that President Obama and I are pursuing in pursuit of peace. There is simply no substitute for direct negotiations.

The United States will continue to oppose firmly any and all unilateral actions in international bodies or treaties that circumvent or prejudge the very outcomes that can only be negotiated, including Palestinian statehood. And, we will continue to stand up to every effort that seeks to delegitimize Israel or undermine its security.

We will continue to consult closely with our international partners to make clear our firm opposition to one-sided actions against Israel in international fora. Further, we will continue to urge all parties to avoid any provocative actions that circumvent or prejudge outcomes that can only be negotiated, including Palestinian statehood.

Question. What is the justification for the request for the specialized agency waiver?

Answer. The Administration is seeking a waiver to allow the discretion necessary to continue to provide contributions that enable us to maintain our vote and influence within the U.N. and its specialized agencies, if the President determines that doing so is important to our national interests, and to remove from the Palestinians or their allies any ability to force a contribution cut-off and diminish our influence within these agencies.

Without a national interest waiver our ability to conduct multilateral diplomacy and pursue U.S. objectives will be eroded, and our standing and position in critical U.N. agencies will be harmed. As a result, our ability to defend Israel from unfair and biased attacks in the U.N. will also be greatly damaged.

The most effective way to wield U.S. influence in international organizations is from within. By withholding our contributions, not only do we cut off support for important programs that advance U.S. interests, we weaken our ability to promote our priorities, risk losing altogether our voting rights, and effectively empower others to determine how and when America engages.

Congress has passed legislation that provides the United States with additional tools that are much better suited for the purposes of deterrence than the contribution cut-off mechanism. Legislation passed in the aftermath of the Palestinians' successful United Nations Educational, Scientific, and Cultural Organization (UNESCO) bid, if triggered, would place limits on U.S. economic support to the Palestinian Authority and would require the closure of the Palestinians' Washington, DC, office if they obtain membership as a state in a U.N. specialized agency going forward. These requirements are, appropriately, directed at the Palestinians in the event they engage in conduct that we are seeking to discourage. By contrast, the implications of the contribution cut-off will be most felt by the United States and the partners whose interests we defend across the spectrum of the U.N. system.

Question. What action has the State Department taken to free Pastor Saeed Abedini, a U.S. citizen jailed in Iran because of his Christian faith? Can you verify reports that he has been tortured and beaten?

Answer. Mr. Saeed Abedini has been unjustly imprisoned in Iran on charges related to his religious beliefs and activities.

I share your concern about reports that Mr. Abedini has suffered physical abuse by Iranian authorities, and of his deteriorating health condition while in prison. We have called for the Iranian Government to allow Mr. Abedini access to independent medical attention. Regrettably, to date the Iranian Government has not permitted consular access by Swiss authorities—the United States' protecting power in Iran. Therefore, we are unable to verify reports regarding Mr. Abedini's medical condition.

We have reached out to numerous partners in foreign governments and civil society to urge them to press the Iranian Government to release Mr. Abedini.

On March 22, I issued the following public statement on this case:

"I am deeply concerned about the fate of U.S. citizen Saeed Abedini, who has been detained for nearly 6 months and was sentenced to 8 years in prison in Iran on charges related to his religious beliefs. I am disturbed by reports that Mr. Abedini has suffered physical and psychological abuse in prison, and that his condition has become increasingly dire. Such mistreatment violates international norms as well as Iran's own laws. I am also troubled by the lack of due process in Mr. Abedini's case and Iran's continued refusal to allow consular access by Swiss authorities, the U.S. protecting power in Iran. I welcome reports that Mr. Abedini was examined by a physician and expect Iranian authorities to honor their commitment to allow Mr. Abedini to receive treatment for these injuries from a specialist outside the prison. The best outcome for Mr. Abedini is that he be immediately released."

We raised this case at the United Nations Human Rights Council (HRC) in Geneva on March 22. We have also raised this case with the office of U.N. Special

Rapporteur for Human Rights in Iran, Dr. Ahmed Shaheed, whose recent report to the HRC cites Mr. Abedini's case as an example of Iran's violation of human rights, including religious freedom. Acting Assistant Secretary for Democracy, Human Rights and Labor Uzra Zeya advocated on behalf of, and highlighted, the case of Mr. Abedini and others imprisoned for their beliefs when she and I held a press conference on April 19 to release the *Country Reports on Human Rights Practices for 2012*.

We have been in frequent contact with Mrs. Abedini and her attorney since we became aware of this case last year. The Ambassador-at-Large for International Religious Freedom Suzan Johnson Cook and other senior State Department officials met with Mrs. Abedini on March 15 and conveyed our commitment to resolve this case and reunite Mr. Abedini with his family. We will remain in touch with Mrs. Abedini and her attorney as we work to achieve our common objective of securing Mr. Abedini's freedom.

We will continue to make public statements and use diplomatic engagement to apply international pressure on Iran to grant him access to medical care and to secure his release.

Question. Press reports have indicated that the P5+1 offered to ease sanctions on Iran if it demonstrated "seriousness." In order for Iran to receive relief from U.S. sanctions what steps must Tehran take? Is it still the position of the U.S. that Iran must suspend all nuclear activity, as required by U.N. Security Council Resolutions?

Answer. The P5+1 proposal is a balanced offer that would require Iran to take verifiable, confidence-building measures to begin to address the international community's concerns over its nuclear program. In return, the P5+1 would offer some initial easing of certain sanctions. This would be a first step to address some of our priority concerns and establish an environment for negotiations on further steps.

The longer-term goal of the P5+1 is to conclude a comprehensive agreement with Iran that will provide the international community with confidence that Iran's nuclear activities are exclusively peaceful and ensure Iran's compliance with its international obligations.

Question. When do we make the judgment that Iran is in fact just stalling?

Answer. The window for a diplomatic solution to international concerns over Iran's nuclear program remains open, but it will not remain so indefinitely. The United States will use all necessary elements of American power and influence to prevent Iran from acquiring a nuclear weapon. The onus is on Iran and it knows time is not unlimited. The pressure on Iran will continue to increase, providing a growing incentive for Iran to negotiate seriously.

Question. What are your expectations for the upcoming Iranian elections? Is anything being done to provide support to the opposition?

Answer. Iranian authorities have since 2009 engaged in a systematic campaign to stifle all forms of dissent, oppressing nearly all elements of civil society, including leaders and members of the Green Movement. Such repression has also targeted students, labor leaders, journalists and bloggers, ethnic and religious minorities, human rights defenders, and environmental activists. After years of such tactics, which has included arbitrary detentions, unfair trials lacking due process, harassment, and intimidation, Iran's civil society has been greatly oppressed.

We have also witnessed Iranian efforts to curtail freedom of expression prior to the election. Authorities have arrested nearly two dozen journalists since the beginning of the year, closed several newspapers, and blocked Internet sites and jammed satellite signals. We anticipate that such activities will continue and likely increase in severity until the June 14 election.

The administration will be closely monitoring Iran's presidential elections, mindful of the violence against peaceful demonstrators in 2009. It is too soon to judge the outcome of the contest, as the final slate of candidates is not yet known. However, we and our international partners will urge authorities to conduct a free and fair electoral process that not only conforms to international standards of transparency and accountability, but also reflects the will of the Iranian people.

We do not provide assistance to opposition figures in Iran. We do, however, provide capacity building training to Iranian civil society activists to preserve and expand political space where free thought and expression can flourish. Since 2004, the administration has supported projects to help Iranian civil society make its voice heard in calling for greater freedoms, accountability, transparency, and rule of law from its government.

Supporting fundamental principles such as freedom of speech and freedom of assembly is one of the core values of the United States. We support democratic voices in countries across the globe, and Iran is no exception. This is why we continue to draw attention to Iran's deplorable human rights record using a wide range of diplomatic tools, including:

- Providing capacity-building training and new media tools to help Iranian civil society to amplify its calls for greater freedoms, accountability, transparency, and rule of law;
- Leading an international effort to establish and renew the mandate of the Special Rapporteur at U.N. Human Rights Council;
- Co-sponsoring the Canadian-led resolution on Iran's human rights situation for the past 9 years;
- Designating 30 Iranian officials and entities for serious human rights abuses and censorship activities that limit freedom of expression; and
- Detailing Iran's human rights abuses in both our annual Country Report on Human Rights Practices and International Religious Freedom Report, and issuing high level statements.

Question. Please describe actions taken by the State Department to update and upgrade military-to-military relations with Egypt in the post-Mubarak period.

Answer. A more professional Egyptian military better equipped to counter emerging threats such as terrorism and weapons smuggling is a key U.S. goal, important to our own national security interests and to the future of Egypt's transition. We have already begun working with the Egyptian military to redirect assistance to confront the security challenges Egypt currently faces, including border security and counterterrorism. This included not only the redirection of a portion of prior year Foreign Military Financing (FMF) toward border security, but also using State Department funding to bring a delegation from Egypt's Border Guard Force to the United States to view our own border management methods. An in-country assessment to determine the Force's border management deficiencies is planned for later this year, with targeted State assistance to support improved Egyptian border management integration to follow. Additionally, State is financing border security training for Egyptian military personnel in Egypt and in the United States, including courses in Maritime Border Security, Commodity Identification, Counter Proliferation Investigations, International Seaport Interdiction, Search and Seizure Training, Counterterrorism, and International Legal Aspects of Border Security. Egyptian leadership has made clear that it wants our help with what it considers a very sensitive security area. This trust and cooperation is a product of—and a testament to—the long-standing military-to-military relationship between our two countries developed over many years.

The Egyptian military is also a strong advocate for our shared interests within Egypt. Bilateral dialogue on these issues and our strategic military relationship is continuous, allowing us to take advantage of every regular exchange to further align resources and plans to enhance cooperation on shared goals. We make clear to our Egyptian counterparts that our partnership is made stronger through continual stewardship and affirmation of joint aims. Our Ambassador and the Office of Military Cooperation at our Embassy in Cairo reinforce this message in every meeting, so that even “regular business” means reviewing our relationship to make sure it is best serving U.S. and Egyptian interests.

Question. How are President Morsy and his government protecting the rights of minorities and women in Egypt, particularly Coptic Christians?

Answer. We're watching the situation closely and are concerned by instances of violence, corresponding impunity, and lack of inclusion of these groups in government. While President Morsy has made some promising statements, the overall picture is troubling. The Egyptian Government has announced investigations into incidents of sectarian and sexual violence, but few of these investigations have rendered justice effectively. I have repeatedly called on the government to expeditiously conduct credible, transparent investigations and to hold the perpetrators accountable. We have made clear that, in addition to holding private citizens accountable, the conduct of the security forces must be investigated and any wrongdoing on their part should be prosecuted with full due process. Private citizens must be tried in court rather than handled in “reconciliation sessions,” which regularly fail to hold perpetrators accountable.

We are also watching closely how the government implements the new constitution. Human rights activists have raised concerns concerned about provisions in the constitution that may limit both freedom of religion and women's rights. We continue to highlight the importance of equal protection under the law, and urge the Egyptian Government to include women and minorities in conversations impacting the ongoing transition process.

We remain in regular contact with Egypt's religious communities and civil society organizations, both at senior levels in Washington and through our diplomatic mission. We reiterate at the highest level the U.S. Government's commitment to the people of Egypt and to pushing their elected government to represent their interests in accordance with Egypt's international commitments. The U.S. Government also

supports numerous programs designed to improve the status of women and religious freedom in Egypt.

Question. What is the status of the non-governmental organizations (NGO) trial in Cairo? What actions are the State Department and USAID taking to ensure that justice is provided to Americans and Egyptians unfairly ensnared by this political theater?

Answer. A verdict in the NGO trial is expected June 4. We continue to make clear to President Morsy and the Egyptian Government that we view the ongoing NGO trials as politically motivated. We have also urged the highest levels of the Egyptian Government to pass a new NGO law consistent with international standards and have reiterated that this is a fundamental requirement for Egypt's democratic transition. We continue to provide consular assistance; Embassy staff have attended every session of the trial; and the administration is committed to covering legal fees. We view the passing of a fair NGO law as a test of the Egyptian Government's commitment to democracy. Our officials in both Washington and Cairo are in regular contact with Egyptian civil society activists over their concerns about current draft laws, and we have consistently raised their concerns and our own in our diplomatic engagement with the government.

Question. In your opinion, is Egypt taking sufficient and credible actions to mitigate smuggling in the Sinai that directly benefits Hamas? What more can and should the Egyptian Government and military be doing?

Answer. The August 5 terrorist attack against an Egyptian military Sinai outpost that killed 16 soldiers made clear to Egyptian civilian and military leadership the threats in Sinai, not just to its neighbors, but also to Egypt itself. Under President Morsy, attention to the Sinai has increased. This has included multiple high-level Egyptian visits to the Sinai, including President Morsy; plans to better develop the Sinai; and greater Egyptian outreach to Sinai residents.

As part of this addressing of Sinai threats, Egypt has also been focusing more on border security and weapons interdictions in the Sinai and beyond. This has been especially true since the Egypt-brokered November 21 Gaza ceasefire, as reflected in increased reports of smuggling tunnel closures and weapons seizures. We are encouraging this focus, in particular by working with Egypt on border security improvements that directly target the movement of illicit goods and people in and out of Sinai. This includes not only training, but also a reprogramming of some of the Foreign Military Financing (FMF) provided to Egypt. Working with us, the Egyptian military has asked to use this FMF to augment its border protection. This augmentation and improved border management represents one of the most direct means Egypt has of mitigating Sinai smuggling and directly serves our regional security and counterterrorism goals.

Question. What is the status of Dr. Shakeel Afridi, and is his release a talking point in bilateral relations?

Answer. Dr. Afridi remains in jail in Peshawar awaiting a decision on his appeal. Afridi's lawyers are scheduled to appear before the Frontier Crimes Regulation Commissioner on June 13.

We have made our views very well known to the Pakistanis both in public and private. As you know, we are in the midst of a series of high level discussions with the Pakistani Government on a range of issues that are important to both countries. We certainly consider Dr. Afridi's conviction and treatment to be among these issues.

Question. What is the U.S. Government doing to ensure other donors are stepping up to the plate to reaffirm their commitment and provide robust funding to match the U.S. contribution to the Global Fund?

Answer. The fiscal year 2014 budget request, which includes \$1.65 billion to the Global Fund, marks our continued strong support for reforms and challenges other donors to match the U.S. contribution 2 to 1, with no more than 33 percent of donations coming from the United States at the Global Fund's replenishment in fall 2013.

The U.S. Government is strongly committed to strengthening the Fund's position as the global choice for donor governments to support an evidence-based, high-impact response to HIV/AIDS, tuberculosis, and malaria. The U.S. Government will push the Global Fund to sustain the significant steps it has taken towards reform and use diplomatic channels with our partners to promote our shared global responsibility of financially supporting this reinvigorated Global Fund. Senior Administration officials are actively meeting with other donors to reinforce the need for a robust replenishment for 2014–2016. These actions are in addition to the U.S. Government's efforts to encourage recipient countries to step up their investments in their own people.

The U.S. Government is encouraging all current donors to consider increases to their contributions, calling upon new donors to support the Fund, and requesting that implementing countries amplify their commitment to their disease responses through increased leadership and domestic financing. The Global Fund's Fourth Replenishment sets an ambitious resource target of \$15 billion to be mobilized for 2014–2016, an increase against the approximately \$11 billion contributed globally for 2011–2013. Collectively meeting this goal will require robust monetary support from current and new donors.

Question. Should the State Department be the primary coordinator for global rule of law programs, and how important do you view rule of law programs in our development efforts and strategies overseas?

Answer. The rule of law is a critical foundation for the development of democracy and is central to each foreign assistance program we undertake at the State Department.

Each government that we assist has unique challenges that must be addressed. We understand the necessity for developing the rule of law to ensure that appropriate rule of law assistance is being provided to fit the need.

Just as there is no one-size-fits-all solution to the range of rule of law challenges around the globe, there is also not one single U.S. agency that can or should undertake this job alone. Our Chiefs of Mission are charged with coordinating rule of law programs at the Embassy level. Similarly, the State Department, as the lead agency for foreign policy and foreign assistance, should serve as the primary coordinator for these activities in Washington.

Question. Are credible and competitive elections possible in Cambodia, absent the full and unfettered participation of the political opposition, including Sam Rainsy?

Answer. The July 28 national elections will be an important indicator of Cambodia's commitment to true multi-party democracy. Additional electoral preparations and reforms are needed now to ensure that the July elections meet international standards. In the 2008 national elections, most observers assessed that the election process had improved over previous elections, but failed to fully meet international standards.

Building strong democratic institutions and regulations to effect systemic change are the key indicators of credible elections. We urge the National Election Committee to address concerns raised by NGOs, the international community, and the U.N. Special Rapporteur for Human Rights in Cambodia.

The participation of Sam Rainsy would be one indicator of Cambodia's willingness to allow for the unfettered participation of the opposition. We have urged the Cambodian Government to address inconsistencies in the voter registration list, prohibit campaigning by military and civil servants while in uniform or in their official capacity, and mandate state-run television to provide equal coverage and airtime for all political parties. Efforts by the Cambodian National Election Committee to make these reforms and other steps ensuring an equal playing field for the opposition would factor into the determination if the elections are credible and competitive.

Question. How does the State Department intend to respond to less than credible and competitive polls?

Answer. The State Department continues to actively engage with the Royal Government of Cambodia on the necessity for electoral reforms in the lead-up to the July national elections. Additional electoral preparations and changes are needed now to ensure that the elections meet international standards. We urge the National Election Committee to address concerns raised by NGOs, the international community, and the U.N. Special Rapporteur for Human Rights in Cambodia.

We will continue to closely monitor electoral preparations and processes to evaluate the credibility of the elections. Based on that assessment, we will take steps that are consistent with our goal of supporting the democratic aspirations of the Cambodian people.

QUESTIONS SUBMITTED BY SENATOR MARK KIRK

Question. (a) The fiscal year 2013 National Defense Authorization Act expressed the sense of Congress that the United States should (1) deny the Government of Iran the ability to continue to oppress the people of Iran and to use violence and executions against pro-democracy protestors and regime opponents; (2) fully and publicly support efforts made by the people of Iran to promote the establishment of basic freedoms that build the foundation for the emergence of a freely elected, open, and democratic political system; (3) help the people of Iran produce, access, and share information freely and safely via the Internet and through other media; and (4) defeat all attempts by the Government of Iran to jam or otherwise obstruct

international satellite broadcast signals. Can you tell us what the State Department is doing now to achieve each of these four objectives?

(b) Can you detail what support, if any, the Department is providing to opposition groups or activists inside Iran—or to groups capable of training opposition groups or activists inside Iran—to help them organize politically?

Answer. (a)(1) What is the State Department doing to deny the Government of Iran the ability to continue to oppress the people of Iran and to use violence and executions against pro-democracy protestors and regime opponents?

—The State Department and the U.S. Agency for International Development (USAID) are helping Iranians overcome government suppression by providing them with the tools and training necessary to advocate for their interests and protect citizens' rights, to communicate securely and freely with each other and the outside world, to increase the free flow of information, to decrease the capability of the government to censor, disrupt and monitor communications for the purpose of perpetrating human rights abuses.

—The administration is also committed to holding accountable those who facilitate such capabilities through high-level statements, as well as sanctions and human rights designations.

—For example, since President Obama signed the Comprehensive Iran Sanctions, Accountability, and Divestment Act in 2010, the administration has sanctioned 13 senior Iranian officials and four Iranian entities—including the Iranian Revolutionary Guard Corps (IRGC) and the Intelligence Ministry—for their involvement or complicity in serious human rights abuses.

—The administration has sanctioned four Iranian entities for providing the Governments of Iran or Syria with information and communications technology that could assist in serious human rights abuses.

—Since the President signed into law the Iran Threat Reduction Act last year, the administration has imposed asset freezes and visa bans on an additional five individuals and nine entities for activities involving censorship or other limitations on freedom of expression, including Iran's Cyber Police, the Islamic Republic of Iran Broadcasting company (IRIB), and the IRIB director, Ezzatollah Zarghami.

—The administration announced in 2011 that it was imposing visa restrictions on 52 Iranian officials who had engaged in human rights abuses, and we continue to update that list. Due to the confidentiality of visa records, we cannot share the name of those individuals subject to such restrictions.

(2) What is the State Department doing to fully and publicly support efforts made by the people of Iran to promote the establishment of basic freedoms that build the foundation for the emergence of a freely elected, open, and democratic political system?

—The administration has publicly and privately raised its concerns about the human rights situation in Iran on numerous occasions and in multiple international fora.

—For 10 consecutive years, the United States has supported a successful resolution at the United Nations that condemns Iran's human rights practices. The United States also helped lead efforts in 2011 at the U.N. Human Rights Council to create the mandate of the U.N. Special Rapporteur for Iran, whose exhaustive reports have documented the extent of regime oppression.

—The administration has also issued its own reports on Iran's human rights practices, including the most recent annual Human Rights Report. We have also designated Iran again as a Country of Particular Concern regarding its disregard for religious freedom.

—We have spoken out publicly against certain regime abuses. In the last year, this administration has joined the international community in calling for the release of human rights defender Nasrin Sotoudeh, and Christian pastor Youcef Nadarkhani. We also condemned the reported torture of blogger Sattar Beheshti while in police custody. And more recently, we highlighted Iranian attempts to stifle freedom of expression in commemoration of world Press Freedom Day.

(3) What is the State Department doing to help the people of Iran produce, access, and share information freely and safely via the Internet and through other media?

—Since 2008, State and USAID have devoted more than \$100 million in grants to support Internet freedom around the world, including in Iran. U.S. Government efforts to counter Iranian censorship include support for the development of technologies that facilitate access to blocked information, and tools for safe communications, as well as training on how to safely and securely use this technology.

(4) What is the United States Government (USG) doing to defeat all attempts by the Government of Iran to jam or otherwise obstruct international satellite broadcast signals?

—State, the Broadcasting Board of Governors (BBG), and others are undertaking efforts to counter Iranian broadcast jamming efforts by raising awareness of Iran's role in the proliferation of satellite jamming activity at international meetings, including at the International Telecommunication Union (ITU), to which the USG is a full member and which regulates the international satellite communications sector, and the Asia-Pacific Broadcasting Union, in which the USG holds observer status.

—In addition, State and the BBG are in regular communication with contacts at major international and regional satellite providers, including Eutelsat and Intelsat, to discuss efforts to counter Iranian interference. As a result, Iran has been increasingly identified within the international community as a proliferator of illicit broadcast jamming.

(b) Can you detail what support, if any, the Department is providing to opposition groups or activists inside Iran—or to groups capable of training opposition groups or activists inside Iran—to help them organize politically?

—We do not provide direct assistance to any political movement, party or faction in Iran. We do, however, provide capacity building training to Iranian civil society activists to preserve and expand political space where free thought and expression can flourish. Since 2004, the administration has supported projects to help Iranian civil society make its voice heard in calling for greater freedoms, accountability, transparency, and rule of law from its government.

Question. Do you believe the Iranian Government is legitimate?

Answer. It is ultimately up to the Iranian people to decide whether their government is legitimate and fully represents its views. We have repeatedly expressed our concerns about the lack of fairness and transparency of the Iranian electoral process.

Question. Do you believe that any trade with the Government of Iran—a state sponsor of terrorism responsible for ordering the murders of American citizens—can be characterized as legitimate trade?

Answer. As we significantly increase pressure on the Iranian regime, we remain committed to ensuring that humanitarian trade can continue for the benefit of the Iranian people. U.S. regulations contain an explicit exception from sanctions for transactions for the sale of agricultural commodities, food, medicine, or medical devices to Iran as long as the transactions do not involve a designated entity or otherwise proscribed conduct. Supporting trade in humanitarian items is critical to maintaining international unity on Iran and bolstering ties with the Iranian people.

Question. Do you believe the upcoming election in Iran will be open, free or fair?

Answer. Iranian authorities have since 2009 engaged in a systematic campaign to stifle all forms of dissent, oppressing nearly all elements of civil society, including leaders and members of the Green Movement. Such repression has also targeted students, labor leaders, journalists and bloggers, ethnic and religious minorities, human rights defenders, and environmental activists. After years of such tactics, which has included arbitrary detentions, unfair trials lacking due process, harassment, and intimidation, Iran's civil society has been greatly oppressed.

We have also witnessed Iranian efforts to curtail freedom of expression prior to the election. Authorities have arrested nearly two dozen journalists since the beginning of the year, closed several newspapers, and blocked Internet sites and jammed satellite signals. We anticipate that such activities will continue and likely increase in severity until the June 14 election.

The Administration will be closely monitoring Iran's presidential elections, mindful of the violence against peaceful demonstrators in 2009. It is too soon to judge the outcome of the contest, as the final slate of candidates is not yet known. However, we and our international partners will urge authorities to conduct a free and fair electoral process that not only conforms to international standards of transparency and accountability, but also reflects the will of the Iranian people.

Question. Will you appoint a Special Representative or Special Envoy for human rights and democracy in Iran?

Answer. The Department has numerous officials dedicated to addressing human rights and democracy in Iran both in the Bureau of Democracy, Human Rights, and Labor and the Bureau of Near Eastern Affairs, as well as at USAID. I have also spoken out publicly on Iran's human rights record, most recently in condemning the regime's mistreatment of U.S.-Iranian dual national Saeed Abedini. Our Ambassador-at-Large for International Religious Freedom regularly meets with members of Iranian religious minority communities and has spoken out frequently on religious freedom issues in Iran. Department officials at the United Nations in New

York, as well as at the U.N. Human Rights Council in Geneva, are also actively engaged on these issues, supporting the annual U.N. General Assembly resolution condemning Iran's human rights practices and helping create and renew the mandate of the U.N. Special Rapporteur for Human Rights in Iran.

The administration as a whole has also been actively engaged in using the authorities given to us by Congress to impose sanctions on Iranian human rights abusers. To date, we have imposed asset freezes and visa bans on 30 Iranian officials and entities, including the Islamic Revolutionary Guard Corps, the Intelligence Ministry, Iran's Cyber Police, and the Islamic Republic of Iran Broadcasting. We will continue to collect and assess information as it becomes available to impose sanctions on additional human rights abusers. We regularly highlight cases of imprisoned activists and we will continue to engage with our international partners and non-governmental organizations (NGOs) on how best to promote human rights and democracy in Iran.

In addition, we continue to provide tools and training to Iranian civil society activists to preserve and expand political space where free thought and expression can flourish, and to help Iranians hold their government accountable. We will also continue to work with activists and civil society members to help strengthen their capacity to hold the government accountable by amplifying their calls for greater freedom, accountability, rule of law, and by documenting and spotlighting human rights abuses. We are also helping activists access filtered content, and improve their ability to communicate securely with each other and the outside world.

Question. (a) I believe the recent P5+1 offer of gold sanctions relief in exchange for minimal concessions by Iran on its nuclear program represents a policy of appeasement.

—If Iran accepted the P5+1 offer and immediately hoarded gold, can you provide an estimate of the date by which the reserves of the Central Bank of Iran will be insufficient for the Government of Iran to avoid a severe balance of payments crisis that prevents it from maintaining a functioning economy, as measured by—

—the inflation rate, exchange rates, unemployment rate, and budget deficits in Iran; and

—other leading macroeconomic indicators used by the International Monetary Fund, professional rating agencies, and other credible sources to assess the economic health of a country?

(b) Was the economic assessment of the P5+1 offer requested in subquestion (a) above completed before the offer was made in Almaty? If not, why not?

(c) If Iran accepted the P5+1 offer, can you provide an estimate of the period of time it would take Iran to produce enough weapons-grade uranium for a single implosion-type nuclear weapon, taking into account all known relevant technical data and taking into account the P5+1 offer would not require Iran to halt the installation of advanced IR-2 centrifuges and would not require Iran to halt any other low-level uranium enrichment at other facilities?

(d) Was the nuclear breakout assessment of the P5+1 offer requested in subquestion (c) above completed before the offer was made in Almaty? If not, why not?

Answer. The P5+1 proposal is a balanced offer that would require Iran to take verifiable, confidence-building measures to begin to address the international community's concerns over its nuclear program. In return, the P5+1 would offer some initial easing of certain sanctions. This would be a first step to address some of our priority concerns and establish an environment for negotiations on further steps.

The longer-term goal of the P5+1 is to reach a comprehensive agreement with Iran that will provide the international community with confidence that Iran's nuclear activities are exclusively peaceful and ensure Iran's compliance with its international obligations.

We will continue to increase pressure on Iran as we seek a diplomatic solution. Sanctions are having a strong impact on the Iranian economy, as demonstrated by its rapidly declining oil exports, precipitous depreciation of the national currency, and significant upticks in inflation, unemployment, and the budget deficit. Until Iran addresses the international community's concerns over its nuclear program, we will continue to aggressively implement all existing authorities on Iran, and seek further areas to increase the pressure.

We continue to closely monitor all aspects of Iran, including its nuclear program, economy, and internal dynamics, and incorporate our analysis into our approach to the Iranian nuclear issue.

Question. (a) In fiscal year 2012, approximately how many people who received the United Nations Relief and Works Agency (UNRWA) services were people whose place of residence was Palestine between June 1946 and May 1948 and who were personally displaced as a result of the 1948 Arab-Israeli conflict?

(b) Of those individuals identified in question (a) above, how many were residing in the West Bank and Gaza?

(c) Of those individuals identified in question (a) above, how many were citizens of other countries?

Answer. UNRWA's mandate, as approved by the U.N. General Assembly, is to provide assistance to Palestinian refugees as well as those displaced by the 1967 conflict in Jordan, Lebanon, Syria, Gaza, and the West Bank. UNRWA provides essential services for approximately 5 million Palestinian refugees, including education for over 476,000 school children, primary healthcare in 138 clinics, and social services for the most vulnerable, particularly in Lebanon and Gaza.

UNRWA began its operations in 1951 with 860,000 registered Palestinian refugees. We are working with UNRWA to refine this number to reflect beneficiaries referenced in your question.

The status of Palestinian refugees is one of the most sensitive issues confronting Israel and the Palestinians; it strikes a deep, emotional chord among Palestinians and their supporters, including our regional partners such as Jordan and Lebanon, which host large Palestinian refugee populations.

United States policy has been consistent for decades, in both Republican and Democratic administrations: final status issues can and must only be resolved between Israelis and Palestinians in direct negotiations. Any unilateral attempts to alter the status of Palestinian refugees would run counter to our efforts to support final status negotiations and would undercut our ability to act as a mediator and peace facilitator, and generate very strong negative reaction from the Palestinians and our partners in the region, particularly Jordan.

Question. (a) Do you believe the Japanese or South Korean Governments may consider developing independent nuclear deterrents in response to further North Korean aggression?

(b) Would you support a Japanese or South Korean decision to develop such an independent deterrent capability?

(c) Are you concerned by reports of growing nuclear cooperation between North Korea and Iran?

(d) Are you concerned by the continued diversion of U.S.-exported dual-use items through China to both North Korea and Iran?

(e) If the United States found evidence that Iran had tested a nuclear weapon in North Korea, what would be the U.S. response toward Iran?

Answer. The Republic of Korea (ROK) and Japan are committed partners and global leaders on strengthening and maintaining the integrity of the global non-proliferation regime, including the Treaty on the Non-Proliferation of Nuclear Weapons (NPT). The United States supports the strong ROK and Japanese commitments to the NPT.

The United States is firmly committed to the defense of the ROK and Japan. The U.S. nuclear umbrella—along with our robust conventional weapons capabilities—assures the ROK and Japan of our defense commitment, including to a strong response to any threat from North Korea.

China is an integral member of P5+1 negotiations with Iran, and shares our goals of preventing Iran from acquiring a nuclear weapon and achieving the verifiable denuclearization of the Korean Peninsula in a peaceful manner. We continue to urge China to fully implement all U.N. Security Council resolutions on North Korea and Iran, and to prevent the export or transshipment through its territory of any item that could contribute to the development of Iran and North Korea's proscribed nuclear activities.

If Iran and North Korea were to cooperate on a nuclear weapons program, it would be an unacceptable violation of the NPT and multiple U.N. Security Council resolutions and would demand a strong response from the international community. We continue our dual-track approach—including the use of strong international and national sanctions—to press Iran and North Korea to comply with their obligations under all relevant U.N. Security Council resolutions.

Question. Thank you for your statement calling for the immediate exoneration and unconditional release of American citizen Saeed Abedini from Evin Prison in Tehran, Iran. What comprehensive efforts, including, to the extent possible, those made through intermediary diplomatic channels, have been made to secure Mr. Abedini's release?

Answer. I share your deep concern about U.S. citizen Saeed Abedini, unjustly imprisoned in Iran on charges related to his religious beliefs and activities. I am also concerned about reports that Mr. Abedini has suffered physical abuse by Iranian authorities, and of his deteriorating health condition while in prison.

As you noted, on March 22, I issued a public statement on this case noting that I am troubled by the lack of due process in his case, Iran's continued refusal to

allow consular access by Swiss authorities—the United States’ protecting power in Iran—and calling for his immediate release.

We raised this case at the United Nations Human Rights Council (HRC) in Geneva on March 22. We have also raised this case with the office of U.N. Special Rapporteur for Human Rights in Iran, Dr. Ahmed Shaheed, whose recent report to the HRC cites Mr. Abedini’s case as an example of Iran’s violation of human rights, including religious freedom.

Acting Assistant Secretary for Democracy, Human Rights, and Labor Uzra Zeya highlighted the case of Mr. Abedini and others imprisoned for their beliefs when she and I held a press conference April 19 to release the *Country Reports on Human Rights Practices for 2012*.

We appreciate H. Res. 147 calling for Mr. Abedini’s release. We commend you and other Members of Congress for elevating this case, and we want to work closely and constructively with you to raise awareness and secure his release.

The Department of State’s highest priority is the safety and welfare of U.S. citizens overseas, and we remain deeply concerned about Mr. Abedini’s detention and the conditions he faces in prison. We are committed to doing all we can to ensure Mr. Abedini receives the medical attention he urgently needs. We will continue to use diplomatic engagement to apply international pressure on Iran to secure his release. We have reached out to numerous allies and our friends in civil society to urge them to press the Iranian Government to release Mr. Abedini. Moreover, I will continue to use all the appropriate tools at the Department’s disposal to promote and protect human rights, including freedom of religion, for all people in Iran and around the world.

The Ambassador-at-Large for International Religious Freedom Suzan Johnson Cook and other senior State Department officials met with Mrs. Abedini and her attorney March 15 and conveyed our commitment to resolving this case and reuniting Mr. Abedini with his family. We have been in frequent contact with Mrs. Abedini and her attorney since we became aware of this case last year, and we will remain in touch with them as we work to achieve our common objective of securing his freedom.

Question. President Obama has identified genocide prevention as a “core national security interest and core moral responsibility” of the United States. As Secretary of State, are you committed to condemning any known instance of genocide, including the Armenian Genocide?

Answer. The U.S. Government clearly acknowledges as historical fact and mourns that 1.5 million Armenians were massacred or marched to their deaths in the final days of the Ottoman Empire. These horrific events resulted in one of the worst atrocities of the 20th century, and the United States recognizes that they remain a great source of pain for the people of Armenia and of Armenian descent as they do for all of us who share basic universal values. As President Obama said in his April 24 statement, on Armenian Remembrance Day, we remind ourselves of our commitment to ensure that such dark chapters of history are not repeated.

Question. As you are aware, Azerbaijan’s leaders regularly allude to the use of force against Armenia and engage in other provocative actions to stoke anti-Armenian aggression. In his February 28, 2012 national address, Azerbaijan’s President Aliyev announced that “our main enemies are Armenians of the world.” In August 2012, Azerbaijan’s President pardoned Ramil Safarov, who was convicted of murdering an Armenian soldier at a 2005 NATO English language training program in Hungary. In light of these troubling developments, does the Administration continue to support providing U.S. military assistance to Azerbaijan?

Answer. Mr. Safarov was tried and convicted of a brutal murder. The United States was extremely troubled to learn that he would not serve the remainder of his sentence, as were many of our Allies. Immediately after learning of Azerbaijani President Aliyev’s pardon of Ramil Safarov, the United States raised its concerns directly and forcefully with the highest levels of the Government of Azerbaijan. In addition, both the White House and the State Department released strong public statements of concern over Mr. Safarov’s transfer and subsequent pardon.

We are closely following developments in conflicts around the world. Based on current assessments, our budget request includes the funding needs we anticipate for fiscal year 2014. Security assistance for Azerbaijan is carefully reviewed to ensure it does not undermine efforts for a peaceful settlement in Nagorno-Karabakh. Such assistance is currently focused on counterterrorism and maritime security.

Question. Last year, the U.S. Commission of International Religious Freedom (USCIRF) listed Turkey as a “Country of Particular Concern.” USCIRF found that “longstanding policies continue to threaten the survivability and viability of minority religious communities in Turkey.” What meaningful progress has Turkey made to address the recommendations in the USCIRF report to “bring its laws and prac-

tices into compliance with international standards on freedom of religion or belief?" What will you do to ensure Turkey's return of all Armenian, Greek, Assyrian, and Christian minority properties?

Answer. While the U.S. Commission of International Religious Freedom (USCIRF), a Congressionally-mandated independent commission separate from the Department of State, makes recommendations on which countries should be designated as Countries of Particular Concern (CPCs), only the President has the authority to do so. He has delegated this legal authority to the Secretary of State, which did not designate Turkey a CPC in 2012.

In its 2013 report, USCIRF assessed the Turkish Government had taken positive steps to improve religious freedom. We agree with that assessment. The Turkish Government continued to return property that was previously seized from minority religious communities, including 47 acres of property surrounding Halki Seminary, the pre-eminent institution of religious learning for Orthodox Christians worldwide. Turkey also allowed the opening of several new religious minority foundations. The current constitutional redrafting process is encouraging an unprecedented dialogue on individual rights and religious freedom. In November 2012, the government also relaxed its ban on headscarves in primary and secondary schools when it announced new regulations, to take effect in 2013, permitting female students to wear headscarves in elective Quran classes and at Islamic schools. Finally, Deputy Prime Minister Arinc announced in parliament this May that religious foundations that were closed by the state in the 1990s may reopen and have their assets returned.

We will encourage the Government of Turkey to follow through on the return of religious minority properties and to take additional steps to promote religious freedom, such as allowing more religious communities to own property, register their places of worship, and train their clergy. We will also continue to urge the government at the highest levels to work cooperatively with the Ecumenical Patriarchate to pass legislation and overcome political roadblocks that are hindering the reopening of Halki Seminary.

Question. The Nagorno-Karabakh Republic (NKR) was one of the three parties to negotiate and sign the cease-fire agreement, which stopped the war in 1993 and they were full parties to the Minsk Group negotiations until 1998, when Azerbaijan succeeded in excluding them. Do you support the reinstatement of the NKR as a full participant in the Minsk Group peace process? If yes, what is the administration doing to reinstate NKR into the negotiations?

Answer. As a Co-Chair of the OSCE Minsk Group along with Russia and France, the United States remains committed to helping the sides find a peaceful solution to the Nagorno-Karabakh conflict. As part of that effort, the Co-Chairs routinely meet with senior officials from the Armenian and Azerbaijani Governments, as well as the de facto authorities in Nagorno-Karabakh. The United States, Russia, and France are actively working to help the sides reach agreement on a way forward.

QUESTIONS SUBMITTED BY SENATOR JOHN BOOZMAN

Question. I am highly supportive of the Millennium Challenge Corporation (MCC), an innovative approach to foreign assistance that demands measurable results. For the last few years though, MCC's budget has been flatlined at \$898.2 million. In addition to the many worthy countries contending for compacts this year—including four in sub-Saharan Africa—MCC also dedicates substantial resources towards evaluations; 100 percent of its programs are evaluated. I'm concerned that the "MCC effect"—recently proved by the College of William and Mary—is at risk if MCC's funding continues to be flat-lined. I realize the budget environment we are in, but will MCC have adequate funding for its evaluation needs as well as new programs in well-deserving countries?

Answer. Thank you for your support of the Millennium Challenge Corporation (MCC), a critical component of U.S. Government international programs. I share your view of the value of MCC's focus on measurable results, as well as its focus on broad-based economic growth and democratic governance; MCC is able to advance countries along the path to reliance on domestic resources, foreign investment, and trade rather than foreign aid. And the entire U.S. Government development community is learning and applying broader lessons from MCC about economic analysis, growth, evaluation, the cost-effectiveness of development investments, monitoring and evaluation, and data-driven approaches to decisions. I also share your view of the value of the "MCC Effect"—that developing countries have been motivated to make significant policy changes, particularly in areas of corruption and fiscal reform, in order to become eligible for MCC funding.

All development agencies face a very constrained budget environment. While MCC's work is important, the administration sought to address many development priorities in its budget request, including humanitarian assistance, aid to support post-crisis transitions from armed conflict, and security assistance. Given overall budget constraints, the request for MCC funding broadly reflects the size of its program, which is limited by the standards MCC must apply in selecting countries to assist. It currently funds active compacts and threshold programs in 21 of the 144 countries where U.S. foreign assistance is budgeted. The administration will continue to support MCC and the unique skills and strengths it provides.

Question. Over the past 5 years, many African countries have reported substantial progress in reducing deaths from malaria. The United States, through the President's Malaria Initiative, has played a key role in this success. However, despite significant progress, there is still more work to be done. In the President's fiscal year 2014 budget, PMI received a proposed increase in funding. How do increases in critical U.S. global health programs like PMI serve the United States' interests abroad?

Answer. Continued U.S. funding for malaria control is a smart, efficient investment for both helping those in greatest need and advancing U.S. national security priorities. These investments accelerate economic growth and create conditions for greater stability through the development of a healthy population and workforce, safeguarding American security—an investment in a strong America and free world.

The fiscal year 2014 request for \$670 million in malaria funding will continue to support the comprehensive strategy of the President's Malaria Initiative (PMI), which combines prevention and treatment approaches and integrates these interventions with other priority health services. The World Health Organization estimated there were 219 million malaria cases in 2010 and 660,000 malaria deaths worldwide. Ninety percent of all malaria deaths occur in sub-Saharan Africa, and the vast majority of these deaths are among children under 5 years of age. Since PMI began, it has distributed more than 136 million artemisinin-based combination treatments, more than 62 million insecticide-treated mosquito nets, and more than 13 million intermittent preventive treatments for pregnant women. In addition, during fiscal year 2012, PMI protected more than 30 million residents by spraying over seven million houses with insecticides. Since 2005, impressive gains in malaria control have been documented in PMI focus countries. To date, 12 of the original 15 PMI focus countries have data from paired nationwide surveys that show a decline in mortality rates among children under 5—these declines range from 16 percent in Malawi to 50 percent in Rwanda.

USAID will continue to scale-up malaria prevention and control activities and invest in strengthening delivery platforms in up to 24 African countries, as well as support the scale-up of efforts to contain the spread of multidrug-resistant malaria in the Greater Mekong region of Southeast Asia and the Amazon Basin of South America. PMI will support host countries' national malaria control programs and strengthen local capacity to expand the use of four highly effective malaria prevention and treatment measures, including indoor residual spraying, long-lasting insecticide-treated mosquito nets, artemisinin-based combination therapies to treat acute illnesses, and interventions to prevent malaria in pregnancy. Funding will also continue to support the development of new malaria vaccine candidates, antimalarial drugs, and other malaria-related research with multilateral donors. These efforts directly support the global goal to end preventable maternal and child deaths.

Question. We've seen impressive progress over the past year in U.S. efforts to help stop Joseph Kony's Lord's Resistance Army (LRA), and I was happy to work with you on the Rewards for Justice legislation that recently led to the \$5 million reward announcement made by the State Department. I know you understand that U.S. investments have helped lead to a spike in defections among LRA soldiers, as well as the capture or killing of two of the group's top leaders in the past year. Can you comment about your commitment to sustaining these efforts to ensure they can succeed in removing Kony and ending this longstanding crisis?

Answer. The governments of the region, in coordination with the African Union, are leading efforts to end the Lord's Resistance Army's (LRA) terror and protect civilians. The United States continues to provide cross-cutting support to bolster these regional efforts, build partner capacity, and assist the communities terrorized by the LRA. We agree that regional forces, with U.S. support, have made clear, measurable progress to weaken the LRA and reduce its ability to wreak havoc. Nevertheless, finding and apprehending Joseph Kony and the LRA's remaining leadership is extremely challenging because the LRA operates in one of the world's poorest, least governed, and most inaccessible regions. The United States is committed to continuing to support regional efforts to bring the LRA's top leaders to justice, promote defections from the LRA's ranks, and assist the affected communities.

Question. Do you expect discussions with Iran over its nuclear program to resume in the near future and do you have any confidence that new talks can lead anywhere? When do we make the judgment that Iran is in fact just stalling? While sanctions are having a broad impact on the Iranian economy, do you see any evidence that sanctions are beginning to impact the regime's thinking on its nuclear program? Finally, what are your expectations for the upcoming Iranian elections? Is anything being done to provide support to opposition figures?

Answer. European Union High Representative Catherine Ashton is meeting with Iran lead negotiator Saeed Jalili May 15 in Istanbul to follow-up on the latest round of negotiations and discuss the way forward. The window for a diplomatic solution to international concerns over Iran's nuclear program remains open, but it will not remain so indefinitely. The United States will use all necessary elements of American power and influence to prevent Iran from acquiring a nuclear weapon. The onus is on Iran and it knows time is not unlimited. The pressure on Iran will continue to increase, providing a growing incentive for Iran to negotiate seriously.

Question. Can you please outline the efforts that the State Department is taking to ensure the safe and quick resettlement of the residents at Camp Liberty? I understand that the process is moving quite slow, which is especially concerning given the recent attacks there.

Answer. Following the February 9 rocket attack targeting Camp Hurriya, the Government of Iraq (GOI) has taken steps to enhance security in and around the camp. We continue to urge the government to take all possible measures to ensure the safety of Camp Hurriya residents. The United Nations Assistance Mission for Iraq (UNAMI) and the GOI are trying to work with the Mujahedin-E Khalq (MEK) camp leadership on security enhancements and we continue to firmly support the many efforts of the GOI and UNAMI in this endeavor. As we have seen from other terrorist incidents, no amount of physical structures can guarantee the safety and security of Camp Hurriya or Camp Ashraf, which clearly underscores the urgency of resettlement of residents outside of Iraq.

We join UNAMI and other nations in urging the permanent resettlement of former Ashraf residents outside Iraq. Resettlement is the only sustainable solution to ensure the safety of the residents. We remain firmly committed to supporting and assisting UNAMI, the United Nations High Commissioner for Refugees (UNHCR) and the Government of Iraq in their efforts to facilitate resettlement. The resettlement of Camp Hurriya residents outside Iraq requires immediate and urgent attention. We have made known to the MEK leadership and Camp Hurriya residents that Camp Hurriya remains a target and further delays in resettlement jeopardizes the safety and security of residents.

Question. The conflict in eastern Congo has been the world's deadliest conflict since World War II, yet now has the best chance for real peace in a decade following significant international pressure in 2012. In February, the Peace, Security and Cooperation Framework for the Democratic Republic of the Congo (DRC) and the Region was signed by Congo and 11 regional governments and in March, the U.N. appointed Mary Robinson as the Special Envoy to the Great Lakes region of Africa. What concrete steps will the State Department take to work with African partners and U.N. envoy Robinson to build a comprehensive peace process to operationalize the commitments made in the U.N. Framework?

Answer. The United States sees the Framework as a unique and significant opportunity to promote sustainable peace, security, and accountability in the Great Lakes region. We continue to urge all parties—including the 11 signatory countries and, as witnesses, the African Union, the International Conference on the Great Lakes Region, the Southern African Development Community, and the United Nations—to fully and promptly implement the commitments they made in the Framework. The DRC's national commitments to accelerate domestic reforms and the regional signatories' commitments to play a constructive role in the region are both vital.

As the U.N. Special Envoy to the Great Lakes Region of Africa, Mary Robinson will play a central role in this process. With our strong support, the Security Council has given Special Envoy Robinson a mandate to "lead, coordinate, and assess the implementation of national and regional commitments" under the Framework, including through "the swift establishment of benchmarks and appropriate follow-up measures." We support her plan for sustained engagement with civil society groups in the signatory countries.

As Special Envoy Robinson conducts her preliminary consultations with key heads of state, other officials, and civil society in the region, the United States is ready to support her efforts through our bilateral diplomatic engagement and has offered to consider any other suggestions she may have as to how we can support her work.

Secretary Kerry has announced his intention to appoint a U.S. Special Envoy to the Great Lakes.

We are also taking steps to discourage the M23 and other abusive rebel groups from serving as spoilers in the process. The United States strongly supported U.N. Security Council Resolution 2098 (2013), which renewed the U.N. peacekeeping operation in the DRC (MONUSCO) and authorized the deployment of an Intervention Brigade charged with targeted offensive operations to contain and disarm armed groups. We plan to help troop contributing countries prepare for their challenging mandate. We continue to impose targeted sanctions as appropriate and to take steps to deter any outside support to rebels.

Question. As a Senator and Chair of the Senate Foreign Relations Committee, you were very supportive of reforming the Foreign Assistance Act (FAA), which hasn't been significantly revamped in decades. Is it still your opinion that reforming the FAA should be a major administration priority, and are you ready to work with Congress to get this done in the 113th Congress?

Answer. Adapting the FAA to better enable the U.S. Government to advance U.S. national security, further America's economic interests, maximize sustainable development, deliver real results for the American people, and use all the tools and capabilities of the U.S. Government to advance these goals, would be welcome. The Department of State and USAID stand ready to work with Congress on this endeavor.

SUBCOMMITTEE RECESS

Senator HARKIN. The subcommittee will stand recessed.

[Whereupon, at 4:09 p.m., Thursday, April 18, the subcommittee was recessed, to reconvene subject to the call of the Chair.]